

2012
ANNUAL BUDGET
Kent County, Michigan



Daryl J. Delabbio
County Administrator/Controller

Stephen W. Duarte
Fiscal Services Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Kent County
Michigan**

For the Fiscal Year Beginning

January 1, 2011

Linda C. Danson Jeffrey R. Enos

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Kent County, Michigan for its annual budget for the fiscal year beginning January 1, 2011. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

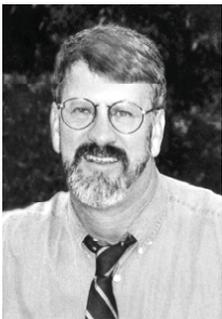
This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Kent County Board of Commissioners



Pictured back row left to right: Dick Bulkowski, Roger Morgan, Carol Hennessy (Minority Vice-Chair), Harold Voorhees, Sandi Frost Parrish (Chair), Ted Vonk (Vice-Chair), Dan Koorndyk, Dick Vander Molen, Tom Antor, Mike Wawee. **Front row left to right:** Shana Shroll, Harold Mast, Gary Rolls, Jim Talen, Jim Saalfeld, Bill Hirsh, Stan Ponstein, Candace Chivis.

Kent County Elected Officials



William Byl
Drain Commissioner



Mary Hollinrake
County Clerk /
Register of Deeds



William Forsyth
Prosecuting Attorney



Kenneth Parrish
Treasurer



Larry Stelma
Sheriff

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Introduction to the Reader's Guide

The primary purpose of this document is to provide citizens with a comprehensive overview of Kent County's adopted budget and operations. As such, the document outlines the process, policies, priorities and issues involved in developing the budget. The document provides an overview of the budget as a whole, followed by an in-depth look at County departments and programs and the funding associated with each.

The document is divided into the following seven major sections. Each section, with the exception of the Readers' Guide and Appendix, is preceded by an introduction, which provides additional helpful information in reviewing the section.

- A. The READERS' GUIDE serves to orient the reader. The section provides an overview of Kent County and its legislative structure, and outlines the process and policies that guide the development of the budget. Kent County's Mission Statement is also included in this section.
- B. The BUDGET OVERVIEW provides a summary of the adopted Kent County Budget. Included in this section is the Budget Message of the Administrator/Controller outlining the priorities, parameters, and issues involved in developing the budget, and other significant priorities and issues affecting the budget. The Strategic Planning and Budgeting section includes goals by functional areas. The section contains a summary of funding sources and uses to provide an overview of the total resources required by the County for 2010 (actual), 2011 (amended budget), and 2012 (adopted budget). The budget information is summarized in three different ways: by fund type and component unit, by category, and by functional area. The section includes a history of the County's beginning and end-of-year fund balance over the same three-year period. The section also provides a history of the County's personnel.
- C. The FUND SUMMARIES section provides a description and three-year history of each fund, summarized by fund type. The section also includes a detailed summary and history of the County's General Fund. The General Fund is used to account for all revenues and expenditures applicable to the general operations of the County except those required or determined to be more appropriately accounted for in another fund. Revenues are generated primarily from property taxes and intergovernmental sources.
- D. The DEPARTMENT SUMMARIES section contains an overview of County departments and programs. Each overview includes a description of the program or department, including a three-year history of uses and budgeted personnel, an explanation of significant budget issues, and significant accomplishments where applicable. Mission statements, goals, and performance measures are also included for each County department. The department overviews are organized under nine functional areas: Community & Economic Development, Cultural & Recreational, Debt Service, Enterprise, General Government, Health & Welfare, Judicial, Public Safety, and Other. The Capital functional area is reported in a separate section. The departmental and program uses for each functional area are summarized "At a Glance" at the beginning of each section. Strategic goals and short-term tactical objectives by department have been added as part of the Strategic Planning Process completed in 2006. All functional areas have the additional information except Debt Service and Other. The overall strategic goals for the organization are on page B-15 of the Budget Overview under Strategic and Budget Planning which also has updates since 2006.
- E. The CAPITAL section provides an overview of the Capital functional area, which includes expenditures related to Building Authority Construction, Bond Capital Improvement Capital Projects, and the Capital Improvement Program (CIP). The section provides program descriptions, discussion of any significant budget issues, and a three-year history of uses. The CIP description further provides a description of the annual CIP process, significant CIP policies and procedures, a list of the 2012 CIP projects, and a list of potential 2013-2016 CIP projects. The functional area is summarized "At a Glance" at the beginning of the section.
- F. The REVENUE ASSUMPTIONS section describes major revenue sources, offers an explanation of the underlying assumptions for the revenue estimates, and discusses significant revenue trends.
- G. The APPENDIX provides additional information related to the budget process, including the 2012 General Appropriations Act, and information about County debt, vacation and sick leave liabilities, and retirement system. Also included is a glossary to assist the reader.

County Profile

The County is composed of twenty-one townships, five villages and nine cities. The 2010 population of the County resides as follows: townships (223,746); cities (371,492); and villages (7,384). The County seat is located in the City of Grand Rapids, which is the second largest city in the State. The County was organized as a County by the territorial legislature on March 24, 1836.



Courtesy Gerald R. Ford Museum

The County is governed by a Board of Commissioners (Board) whose numbers ranged from three in 1836 up to 77 as recently as 1968. As a result of a United States Supreme Court decision

in 1969, the number of commissioners was reduced to 21. The Board took action in 1992 to reduce further the number of members to 19 effective January 1993. The Board is responsible for establishing policies, adopting the budget, appointing committee memberships, and hiring the County Administrator/Controller. The Administrator/Controller is responsible for carrying out the policies set forth by the Board and overseeing the day-to-day operations of the County. The Board is elected on a partisan basis every two years from districts of approximately equal size. The other five elected officers of the County, which include the Sheriff, Clerk/Register of Deeds, Prosecuting Attorney, Drain Commissioner and Treasurer, are elected on a partisan basis serving four-year terms.

The County provides a wide and varied range of services in the following areas: law enforcement, correctional facility, three court systems, airport, fire, social services, both State and County funded public health, park system and zoo. The Kent County CMH Authority (operating as - network180) is a component unit that provides mental health services. The Department of Public Works, a component unit, manages a waste-to-energy incinerator and landfill, maintains some local unit water and sanitary sewer systems, and provides for the construction of these local systems. The Kent County Drain Commission, another component unit, is responsible for the construction and maintenance of County drains and the control of lake levels. In addition, the Road Commission is a component unit providing maintenance to County roads.



Annually, the Board is required to adopt a final budget by December 31 for the subsequent fiscal year. This budget serves as the foundation for the County's financial planning and control. The budget is prepared by fund, function (e.g. public safety) and department (e.g. sheriff). Department heads may transfer resources within the activities they manage. Transfers between departmental budgets and above administrative amounts set by the Board need special approval from the governing body.

Local Economy

Commercial/Industrial Base

The Grand Rapids-Wyoming Metropolitan Statistical Area (MSA), of which the County is the hub, has been one of the fastest growing regions of the United States. Numerous expansions, renovations, constructions, modernizations and developments have been completed, are in the process of being completed or are in the planning stages. Among the factors which have encouraged major projects and have attracted numerous firms from outside the area are: a strong but highly diversified base of industries, an excellent work force, educational opportunities, excellent employer/employee relations, good location and transportation facilities, utilities and possibly the most important, quality of life.

Within the County, the State Taxable Value (STV) for commercial property increased in value from \$4.38 billion in 2006 to \$5.04 billion in 2011, for an average annual increase of 3.0%. Industrial property STV decreased in value from \$2.48 billion in 2006 to \$1.89 billion in 2011, for an average annual decrease of 4.8%.

Convention Facilities

In 2000, the City of Grand Rapids and the County jointly created the Grand Rapids -- Kent County Convention/Arena Authority. The function of this independent authority is to own and operate the DeVos Place Convention Center and the Van Andel Arena. The Van Arena was completed in 1996, has a seating capacity of 12,000 and it is used for professional hockey games, concerts, family shows and other entertainment events. The DeVos Place Convention Center renovation and expansion was completed in 2005. This facility encompasses one million square feet of total gross floor area including a 40,000 square foot ballroom. The project was completed at a total cost of \$212 million. The completion of this project has enabled several large conventions to take place, with a significant number of bookings made for local, state, regional and national conferences that extend to 2012 and beyond.

Regional Government Coordination

The Grand Valley Metropolitan Council ("Metro Council") was formed in 1990 and has a membership of 35 local governments including the County. Created by State enabling legislation, the Metro Council is coordinating the efforts of its members to provide services while eliminating duplication. It is also engaged in issues that have no boundaries such as clean air, water and sewers and transportation. The Metro Council also is working with its area legislators to develop a regional presence at the State capital.

Its legislative committee has broad community participation, which includes the Chamber of Commerce, Kent Intermediate School District and environmental interests. The Metro Council's Water and Sewer Committee has members from Ottawa and Kent Counties, the private and environmental sectors and water and sewer providers. The Metro Council routinely works with a range of partners to accomplish its mission. Key partnerships are with Grand Valley State University's Office for Economic Expansion and Water Resources Institute, the Michigan Municipal League, and the Michigan Departments of Transportation, Environmental Quality and Commerce.

Medical Services

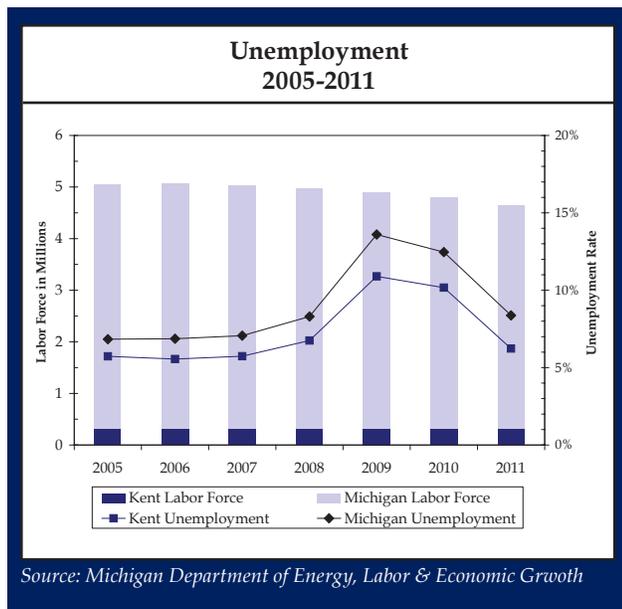
The residents of the County are served by a number of hospitals. The public and nonprofit hospitals in the County have approximately 2,676 licensed beds. In 2000, the Van Andel Institute (VAI) opened, with the mission "... to become one of the worlds preeminent private medical research institutions within the next decade." The Van Andel Institute has three component parts: the Van Andel Research Institute (VARI), the Van Andel Education Institute (VAEI) and the Van Andel Institute (VAI). The VARI is an independent medical research organization dedicated to preserving, enhancing and expanding the frontiers of medical science. The VAEI is an independent education institute whose mission is to conduct the Van Andel Educational Technology School, and to achieve excellence by embracing and strengthening the fundamental issues of education. The VAI supports the other two organizations. In July 1999, legislation was adopted in support of investing \$50 million a year over the next 20 years to fund a Life Sciences Corridor - a joint venture between the State, several Michigan universities, and the VARI.

The research being conducted at the VARI is expected to serve as a growth pole, anchoring and propelling growth of a newly developing bioscience industry cluster. It is anticipated that this will draw outside business and related sectors into the region to take advantage of economic opportunities created by the Institute. VARI has constructed a 240,000 square foot, eight story building expansion that opened in December 2009. This expansion nearly triples the Institute's laboratory space, allowing for growth of current laboratories and expanded research into neurological diseases. Michigan State University Medical School began construction of a new \$90 million, 180,000 square foot, medical school in the spring of 2008. The MSU college of Human Medicine also began to transition its programming to temporary local facilities in the Fall of 2009. The new medical facility was opened in 2010 and is expected

to reach a capacity of 400 students in 2013.

Employment

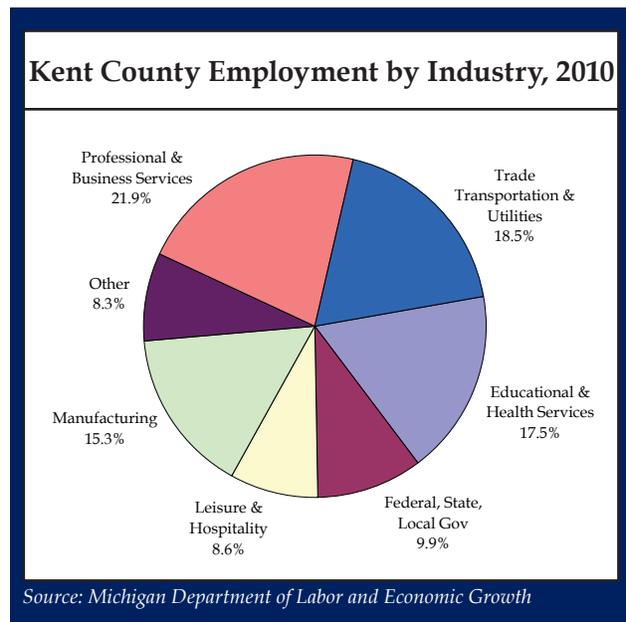
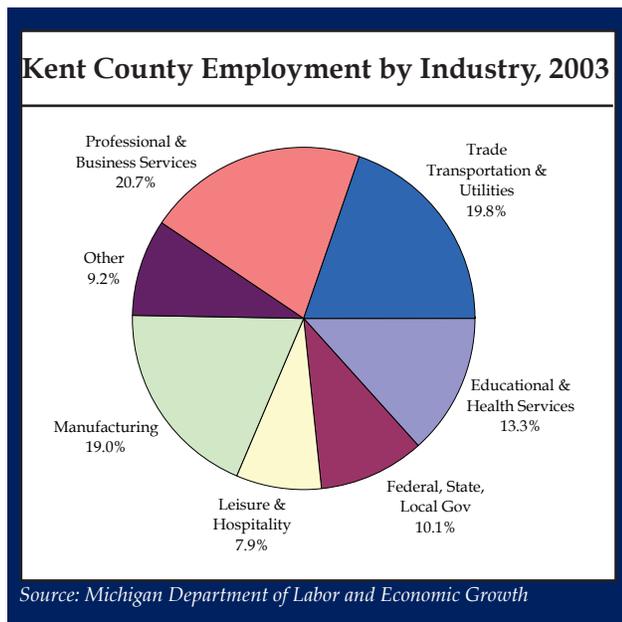
Major industries that are located within the boundaries of Kent County, or in close proximity, include manufacturers of office equipment and furniture, heating controls, automotive parts, financial institutions, health care, retail food/merchandise and insurance companies. This diversified employment base adds to the strength of the local economy. During the past ten years, the annual unemployment rate has fluctuated from a decade low of 3.1 percent (2000) to a decade high of 10.9 percent in 2009. Unemployment leveled out in 2010, and declined in 2011.



Top Kent County Employers:

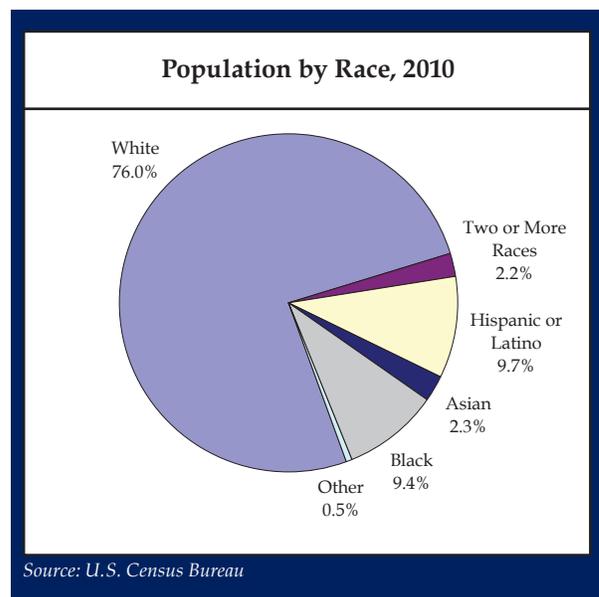
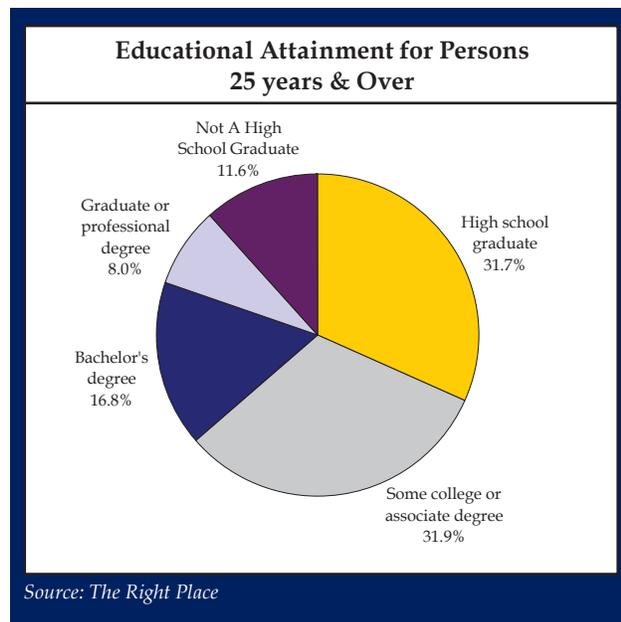
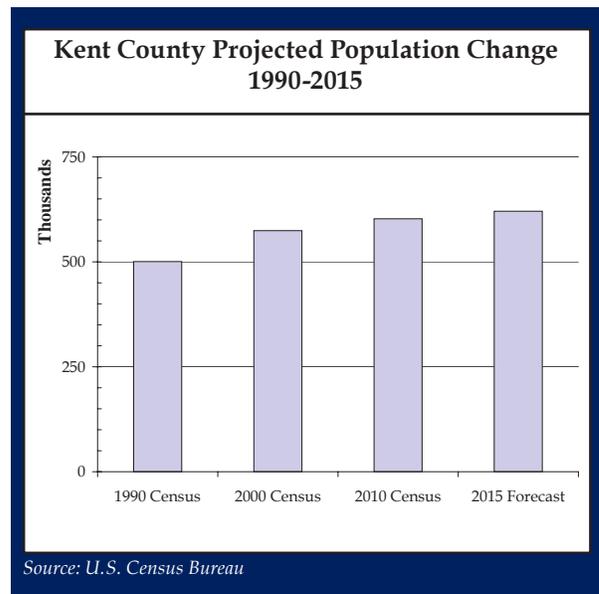
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|--------------------------------|--------|
| Spectrum Health | 16,600 |
| Meijer Inc. | 7,725 |
| Axios Inc. | 7,372 |
| Spartan Stores | 4,258 |
| Amway Corporation | 4,000 |
| Grand Rapids Public Schools | 3,297 |
| Steelcase Inc. | 3,227 |
| Walmart | 3,131 |
| St. Mary's Health Care | 2,672 |
| Magna | 2,500 |
| Metroplian Health | 2,284 |
| Grand Rapids Community College | 2,254 |
| Farmers Insurance | 2,157 |
| Fifth Third Bank | 1,937 |
| Lacks Enterprises | 1,750 |
| Kent County | 1,725 |
| Calvin College | 1,700 |
| City of Grand Rapids | 1,675 |
| Wolverine World Wide, Inc. | 1,640 |
| United States Postal Services | 1,633 |
| Gordon Food Service Inc. | 1,600 |
| Hope Network | 1,436 |
| GE Aviation | 1,400 |
| Pine Rest Christian Hospital | 1,390 |
| Consumers Energy | 1,350 |

Source: The Right Place Inc. - December 2011

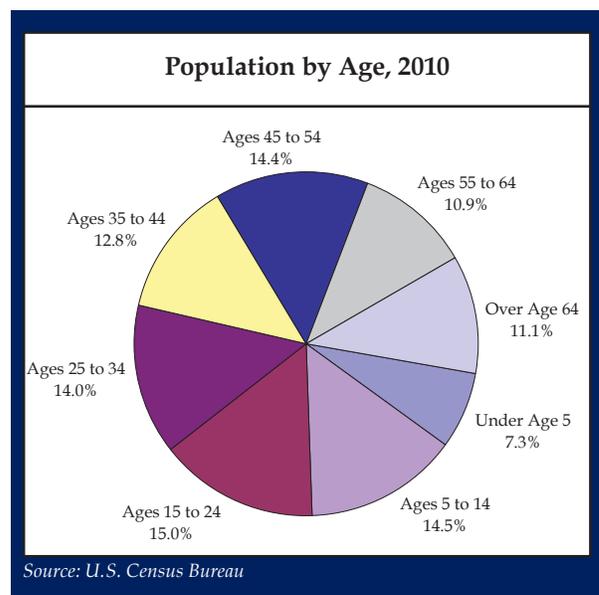


Education Statistics

There are 26 school districts and five intermediate school districts located, in whole or in part, in the County. There are numerous non-public schools serving diversified religious denominations and 17 charter schools in the County. Aquinas College, Calvin College, Cooley Law School, Cornerstone University, Grand Valley State University, Grand Rapids Community College, Ferris State University, Davenport University, Kuyper College, Michigan State University College of Human Medicine, Kendall College of Art and Design of Ferris State University, the University of Phoenix and Western Michigan University have campuses located within the County. The main campuses of Grand Valley State University, Western Michigan University and Michigan State University are located within commuting distance of the County.



- 88.4% of people 25 years and over had at least graduated from high school.
- 24.8% of Kent County residents, 25 years and over, had a bachelor's degree or higher.
- Among people 25 years and over, 11.6% were not high school graduates.



Population Statistics

In terms of population, Kent County is the fourth largest county in the State of Michigan, and growing. According to the 2000 Census, the County grew by 14.7% over the prior 10 years. The growth for the State of Michigan over the same period was 6.9%. Current projections indicate that the County's population will grow to an estimated 620,699 in year 2015. The combination of diverse employment opportunities,

cost of living, and a high quality of life has Kent County growing at a much faster rate than the State of Michigan.

According to 2010 U.S. Census, there were 602,622 people. The racial makeup of the County was 76.0% White, 9.7% Hispanic or Latino, 9.4% Black or African American, 2.3% Asian, 2.2% from two or more races, and 0.5% from other races.

Per the 2010 U.S. Census, the County population was spread out with 7.3% under the age of 5, 14.5% from 5 to 14, 15.0% from 15 to 24, 14.0% from 25 to 34, 12.8% from 35 to 44, 14.4% from 45 to 54, 10.9% from 55 to 64, and 11.1% were 65 years of age or older. The median age was 33.3 years. For every 100 females, there were 95.96 males.

Top Kent County Taxpayers (2011):

| Top Taxpayers | Parcels | Taxable Value |
|----------------------------|--------------|--------------------|
| Consumers Energy | 574 | 222,981,547 |
| Amway Corp/Altacor | 80 | 147,613,452 |
| Meijer / Goodwill | 83 | 119,931,618 |
| MI Con Gas | 84 | 103,449,754 |
| Steelcase, Inc. | 30 | 99,358,463 |
| PR Woodland | 7 | 56,864,631 |
| Holland Home | 22 | 49,604,819 |
| Fifth Third Bank | 87 | 46,702,987 |
| Keebler Company | 14 | 40,877,800 |
| GGP Grandville | 8 | 39,768,162 |
| General Motors | 28 | 36,929,731 |
| Woverine World Wide | 26 | 23,802,450 |
| Total Top Taxpayers | 1,043 | 987,885,414 |
| Total County | | 20,506,183,649 |
| Top Taxpayers/County | | 4.82% |

Source: County of Kent, 2011

Board of Commissioners

The chief legislative and policy-making body of Kent County Government is the 19-member Board of Commissioners. Commissioners are elected, on a partisan basis, to 2-year terms from districts that are roughly equal in population.

Regular meetings of the Board of Commissioners are open to the public and are held in the Board of Commissioners' Room on the third floor of the County Administration Building. Items that appear on the Board of Commissioners' agenda are usually

Duties of the Board of Commissioners:

- Approving a mission statement for the County;
- Adopting the annual County budget. This includes approving the annual budgets of other, independently elected, County officials: the Sheriff, the County Clerk, the Drain Commissioner, Judges of the 17th Circuit Court and 63rd District Court, the Prosecutor, and the Treasurer;
- Raising the money to fund the County's operations by levying property taxes, setting fees, selling bonds or borrowing;
- Selecting a County Administrator/ Controller to supervise the day-to-day operations of County departments;
- Determining the sites of County buildings, and purchasing or disposing of County-owned property and facilities;
- Representing the County, and managing its property and business by adopting rules, regulations, ordinances and policies; and
- Appointing citizen members to County boards, commissions, and committees, which provide oversight for significant County services.

first considered by one of two standing committees, the Finance and Physical Resources Committee and the Legislative and Human Resources Committee. Membership of the standing committees is composed of Commissioners, who are appointed by the Board Chair at the beginning of each new year.

Kent County Mission Statement

The mission of Kent County government is to be an effective and efficient steward in delivering quality services for our diverse community. Our priority is to provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all our citizens within the constraints of sound fiscal policy.

The Board welcomes the public to express their ideas or concerns about issues affecting Kent County Government during meetings of the Board or its Standing Committees. A citizen may speak by approaching the podium and being recognized by the Board Chair during the "Public Comment" item on the meeting agenda.

Other Elected Officials

The following officials are elected to four-year terms in the general presidential election.

The County Clerk/Register of Deeds manages County elections, serves as the Register of Deeds, manages vital County records, and serves as the Clerk of the Circuit Court. This position also serves as the Clerk of the Board of Commissioners.

The County Treasurer serves as the custodian of all County funds and is responsible for receipting, recording, and investing all money deposited.

The County Drain Commissioner administers the State Drain Code as it applies to the receipt of petitions for the establishment, improvement or maintenance of County drains. Under the Subdivision Control Act, this office also reviews stormwater plans for all plats developed within the County. Other duties include the administration of established lake levels under the Lake level Act.

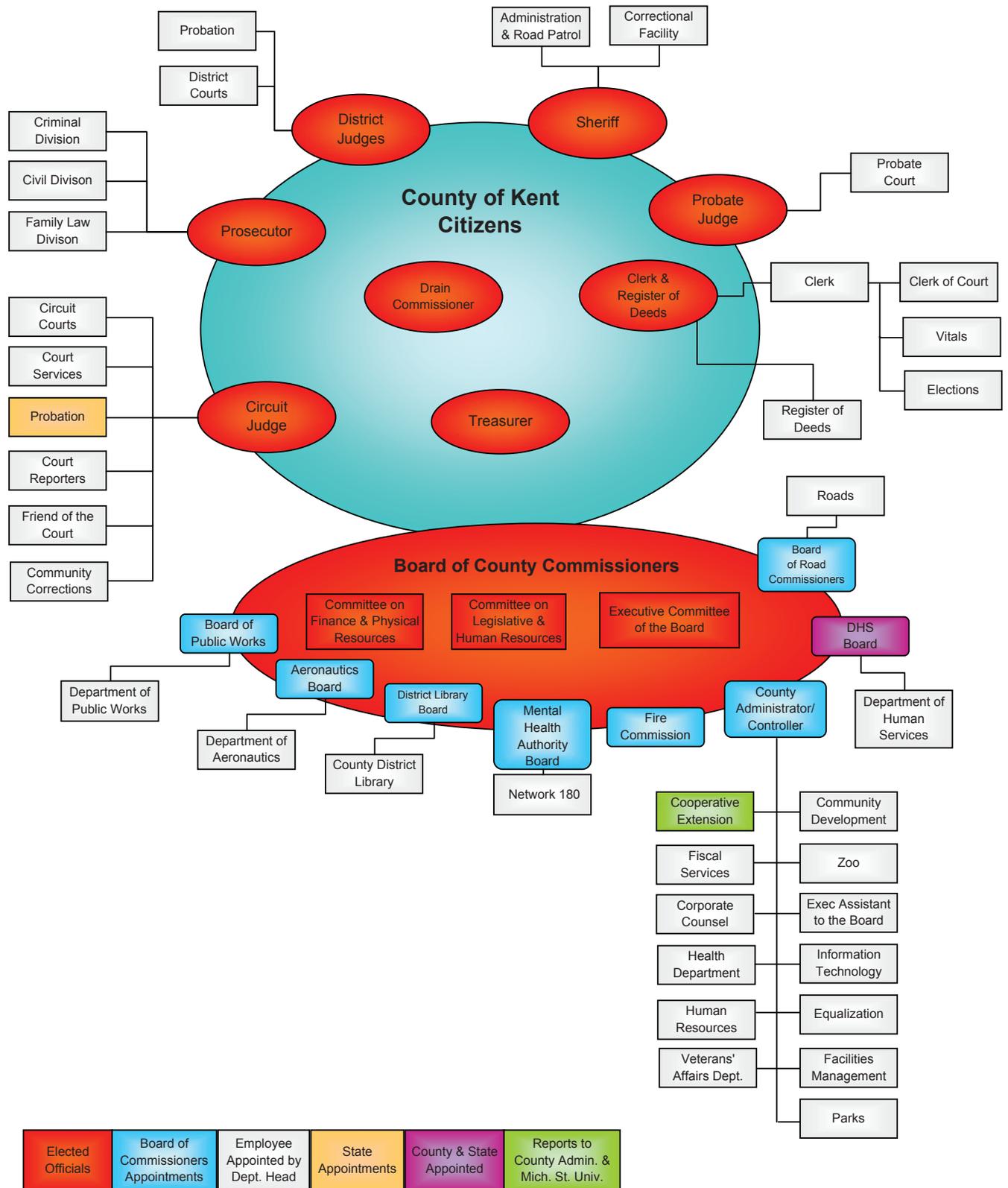
The Prosecuting Attorney appears on behalf of the State or the County in proceedings brought before the Circuit Court, District Court, and Probate Court. The Prosecuting Attorney shares jurisdiction with the Michigan Attorney General for any crime committed in Kent County, but is independent of that state office.

The Sheriff oversees the provision of law enforcement and corrections programs and services to the community as mandated by Statute or dictated by the Board of Commissioners and County citizens.

The voters of Kent County also elect Circuit, District, and Probate Court Judges.

| Kent County/Michigan QuickFacts: | Kent County | Michigan |
|---|--------------------|-----------------|
| People | | |
| Population, 2010 | 602,622 | 9,883,640 |
| Population, percent change, 2000 to 2010 | 4.9% | -0.6% |
| Population, 2000 | 574,335 | 9,938,444 |
| Persons under 5 years, percent, 2010 | 7.3% | 6.0% |
| Persons under 18 years, percent, 2010 | 26.2% | 23.7% |
| Persons 65 years and over, percent, 2010 | 11.1% | 13.8% |
| Female persons, percent, 2010 | 51.0% | 50.9% |
| White persons, percent, 2010 (a) | 79.9% | 78.9% |
| Living in same house 1 year & over, 2005-2009 | 83.3% | 85.4% |
| Foreign born persons, percent, 2005-2009 | 7.7% | 6.0% |
| Language other than English spoken at home, pct age 5+, 2005-2009 | 11.4% | 9.0% |
| High school graduates, percent of persons age 25+, 2005-2009 | 87.6% | 87.4% |
| Bachelor's degree or higher, pct of persons age 25+, 2005-2009 | 29.4% | 24.5% |
| Veterans, 2005-2009 | 37,095 | 751,248 |
| Mean travel time to work (minutes), workers age 16+, 2005-2009 | 20.5 | 23.7 |
| Housing units, 2010 | 246,901 | 4,532,233 |
| Homeownership rate, 2005-2009 | 72.0% | 74.6% |
| Housing units in multi-unit structures, percent, 2005-2009 | 24.2% | 17.8% |
| Median value of owner-occupied housing units, 2005-2009 | \$147,700 | \$147,500 |
| Households, 2005-2009 | 225,517 | 3,860,160 |
| Persons per household, 2005-2009 | 2.61 | 2.53 |
| Per capita money income in past 12 months (2009 dollars) 2005-2009 | \$25,018 | \$25,172 |
| Median household income, 2009 | \$47,684 | \$45,254 |
| Persons below poverty level, percent, 2009 | 14.5% | 16.1% |
| Business | | |
| Private nonfarm establishments, 2009 | 15,488 | 221,682 |
| Private nonfarm employment, 2009 | 297,755 | 3,383,615 |
| Private nonfarm employment, percent change 2000-2009 | -11.4% | -16.9% |
| Nonemployer establishments, 2009 | 37,945 | 632,618 |
| Total number of firms, 2007 | 52,369 | 816,972 |
| Black-owned firms, percent, 2007 | 6.0% | 8.9% |
| American Indian- and Alaska Native-owned firms, percent, 2007 | 0.6% | 0.7% |
| Asian-owned firms, percent, 2007 | 2.7% | 2.6% |
| Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007 | NA | 0.1% |
| Hispanic-owned firms, percent, 2007 | 2.0% | 1.3% |
| Women-owned firms, percent, 2007 | 29.5% | 30.4% |
| Manufacturers shipments, 2007 (\$1000) | 15,738,279 | 234,455,768 |
| Merchant wholesaler sales, 2007 (\$1000) | 13,020,792 | 107,109,349 |
| Retail sales, 2007 (\$1000) | 8,058,005 | 109,102,594 |
| Retail sales per capita, 2007 | \$13,377 | \$10,855 |
| Accommodation and food services sales, 2007 (\$1000) | 925,177 | 14,536,648 |
| Building permits, 2010 | 694 | 9,075 |
| Federal spending, 2009 | 3,493,268 | 91,316,137 |
| Geography | | |
| Land area in square miles, 2010 | 846.95 | 56,538.90 |
| Persons per square mile, 2010 | 711.5 | 174.8 |

Kent County Organization Chart



| | | | | | |
|-------------------|-------------------------------------|----------------------------------|--------------------|--------------------------|--|
| Elected Officials | Board of Commissioners Appointments | Employee Appointed by Dept. Head | State Appointments | County & State Appointed | Reports to County Admin. & Mich. St. Univ. |
|-------------------|-------------------------------------|----------------------------------|--------------------|--------------------------|--|

The Budget Process

The Kent County Budget is a plan that annually directs the provision of County services and facilities. The annual budget represents the Kent County Board of Commissioners' commitment to provide quality services to its residents in a cost-effective and efficient manner within the boundaries of available resources. State statutes require that the annual budget be balanced with revenues/resources equaling or exceeding estimated expenditures. With the exception of a few funds, which account for programs funded on the State or another funding source's fiscal year, Kent County budgets on a calendar year basis. Adoption of the September 30th fiscal year-end budgets in September ensures that appropriations are in place for those departments budgeted on the State's fiscal year. The remaining budgets are adopted in December.

Budget Calendar

| Date | Responsibility | Description of Key Events |
|--------|---|---|
| May 4 | Administrator; Fiscal Services | Policy statement and economic forecast presented to department directors. |
| May 11 | Fiscal Services | Distribute budget development guidelines and forms to department directors and elected officials for CIP requests. |
| May 11 | Administrator; Finance Committee; Fiscal Services | Budget parameters/ guidelines established. |
| Jun 1 | Department Directors | Return completed CIP requests to Fiscal Services in accordance with guidelines. |
| Jun 14 | Fiscal Services | Distribute budget development guidelines and forms to department directors and elected officials for operating budget requests. |
| Jun 21 | Administrator; Fiscal Services | CIP requests presented to the Finance Committee. |
| Jul 18 | Department Directors | Return completed operating budget requests to Fiscal Services in accordance with guidelines. |
| Jul 19 | Administrator; Fiscal Services | Administrative CIP recommendations presented to the Finance Committee. |
| Aug 16 | Administrator; Fiscal Services | Operating budget requests presented to the Finance Committee. |
| Sep 8 | Administrator; Fiscal Services | Administrative Recommendation for Sep 30th Fiscal Year-Ends |
| Sep 22 | Board of Commissioners | Take action on the motion to adopt the proposed Sep 30th Fiscal Year-End budgets. |
| Oct 4 | Administrator; Fiscal Services | Operating budget administrative recommendation presented to the Finance Committee. |
| Oct 13 | Board of Commissioners | Establish date for public hearing on budget and millage rates. |
| Nov 3 | Administrator; Board of Commissioners | Public hearing on budget and millage rates. |
| Nov 17 | Board of Commissioners | Take action on the motion to adopt the proposed budget. |

Budget Preparation

Kent County involves a number of staff from throughout the organization to develop its budget. The Administrator/Controller annually appoints individuals from both administrative and non administrative departments to participate in budget review teams: each committee has an objective set of criteria and evaluation process. Recommendations from these committees are reviewed with the Administrator/Controller and the appropriate standing committee of the Board prior to being included in the recommended budget presentation. The Capital Improvement Program Review Committee (CIPRC) reviews all requests for capital projects valued at \$25,000 and over. The Personnel Review Committee (PRC) reviews all new staffing requests. (The PRC process was not conducted for the 2012 budget due to a moratorium on new hires.) During 2009, a new *Administrative Policy - Replacing Personnel Vacancies* was adopted. The new Personnel Review Committee (PRC) reviews requests to replace vacated positions. There is also an Operating Budget Review Committee (OBRC), consisting of individuals from the Administrator's Office and Fiscal Services Department which reviews all operating budget requests, and prepares the recommended budget in consultation with the Administrator/Controller.

During the month of May, the budget staff begins to brief the County Administrator/Controller and the Finance and Physical Resources Committee of the Board of Commissioners on the financial outlook for the upcoming fiscal year. Financial forecast assumptions are updated, analyzed, and discussed and their impact upon the upcoming budget is reviewed. The Finance and Physical Resources Committee, with assistance from the Administrator/Controller, determines a preliminary target for the total County Budget as well as any special concerns that should be emphasized in the preparation of the next budget, for example, the moratorium on new positions instituted. The Administrator's Office uses these decisions to develop the budget guidelines for the County departments.

Also, in May, the Finance and Physical Resources Committee decides upon a specific level of total funding and the proposed level of property tax levy to support that budget, and recommends to the Board of Commissioners the millage rate for the coming year. The Board of Commissioners sets a public hearing date under the provisions of the Truth and Taxation and Uniform Budget laws of the State of Michigan.

Throughout May, June and the mid-July, department directors prepare capital, personnel and operating budget requests based on these guidelines and an analysis of department needs and submit the requests to the Administrator's Office. The CIPRC complete their review process first, and forward their results to the OBRC.

In mid-August, the OBRC begins meetings to review departmental operating budget requests. Additional information is requested, and if necessary, department directors meet with the OBRC. During the 2012 process, departments were instructed to reduce their requests to revised target levels. Throughout the summer, the Administrator/Controller provides regular briefings to the Finance and Physical Resources Committee on the budget development process. Fiscal Services staff, in conjunction with the OBRC and in consultation with the Administrator/Controller, compiles a proposed budget which is formally presented to the Finance and Physical Resources Committee in early October.

Public Hearing

The public hearing, typically set for the Board of Commissioners' first meeting in November, provides an opportunity for citizens to voice their opinion as to the appropriateness of the proposed budget and millage levy. A notice of the hearing is published not less than two weeks before it occurs in a newspaper of general circulation in the County.

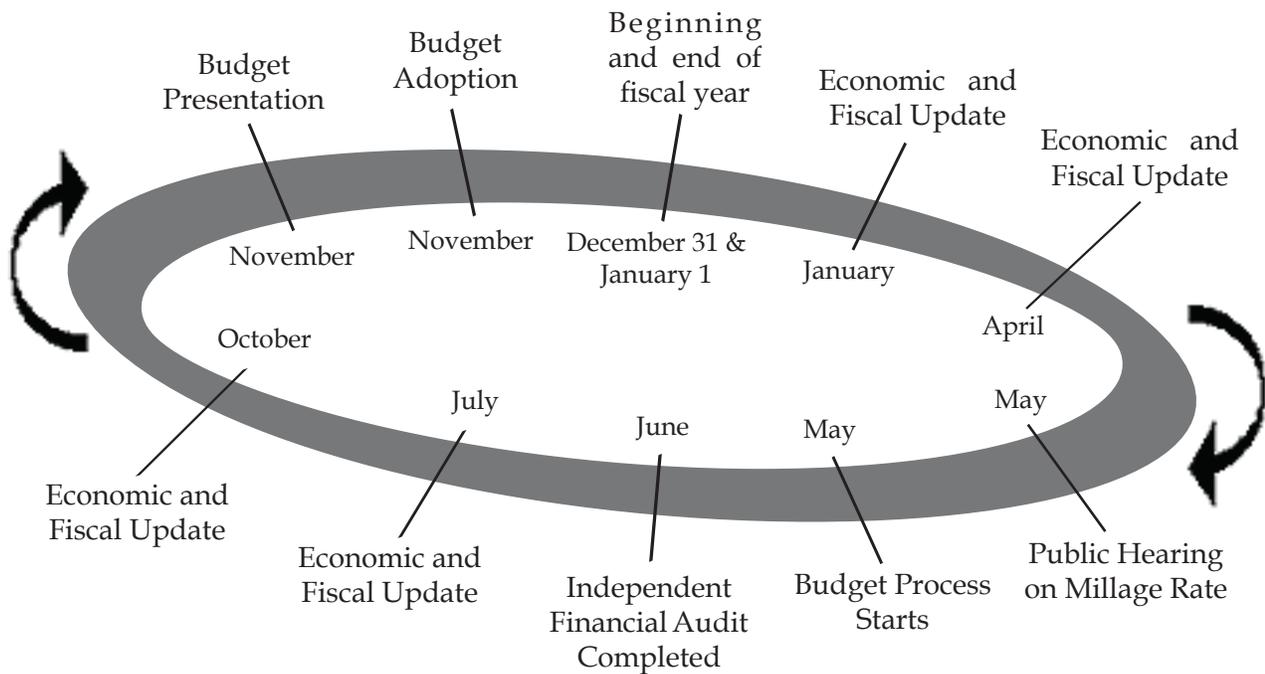
Budget Approval and Amendment

The Board of Commissioners, based on the input from the public hearing, instructs the Administrator's Office to make any appropriate amendments to the proposed budget. The Board of Commissioners then approves the budget at its second meeting in November.

After the final approval of the budget by the Board of Commissioners, only limited budget changes can be made. A department may transfer its allocated funds internally from one account to another only with administrative approval. The one exception to this policy is that funds in Salary Accounts may not be transferred to other

operating accounts within the department's budget until the eleventh month of the budget. Funds cannot be moved from one department to another without formal approval by resolution of the Board of Commissioners upon recommendation of the Administrator's Office. Requests for additional appropriations for new programs or staffing during the budget year require appropriate recommendation from the Administrator/Controller and approval by the Board of Commissioners.

The County Administrator/Controller shall provide the Finance Committee of the full Board, at the end of each fiscal quarter, an economic and fiscal update report of year to date revenues and expenditures compared to the budgeted amounts in the various funds of the County. Whenever it appears to the Kent County Administrator/Controller or the Kent County Board that the actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such fund were based, or when it appears that expenditures will exceed an appropriation, the County Administrator/Controller shall present to the County Board recommendations to prevent expenditures from exceeding available revenues and reserves or appropriations for the budget year. Such recommendations may include proposals for reducing appropriations, increasing revenues or a combination of the two.



Summary of Budget Policies

As Approved by the Board of Commissioners

Accounting and Auditing (Reviewed 8/25/11)

- Kent County will establish and maintain an accounting and fiscal reporting system that conforms with generally accepted accounting principles and standards, and annually file an audit in accordance with Public Act 2 of 1968. The County will maintain systems to monitor expenditures, revenues and financial performance.
- The Fiscal Services Department will ensure that an annual audit of all County funds is conducted by a certified public accounting firm and submitted to the Michigan Department of Treasury within 180 days of the year end. The annual audit, including the management letter, shall be submitted to the Finance and Physical Resources Committee within one month of its completion.
- The County will undertake a full-scale competitive process for the selection of an independent auditor at least every five years. The process should actively seek the participation of qualified firms with a local presence, including the current auditors, assuming that the past performance of the current auditors has proven satisfactory. Fiscal Services staff shall recommend to the Finance and Physical Resources Committee a proposed audit firm based on staff's evaluation of the auditor's ability to perform a quality audit. Price should not serve as the sole criterion for the selection of an independent auditor.

Annual Budget (Reviewed 4/14/09)

- The Office of the County Administrator/Controller will annually provide to the Finance and Physical Resources Committee a financial plan and budget document, containing an estimate of revenues and expenditures or expenses (operating and Capital Improvement Program), a summary position control list, and performance measurements. Budgeted expenditures will not exceed budgeted revenues and/or available fund balance.
- The annual budget process will consist of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets. The final document shall include certain elements to reflect that process:
 - **Revenues and Expenditures/Expenses:** Estimates of revenues and expenditures adopted by the Board of Commissioners should be realistic, and based on facts and trends in evidence.
 - **Performance Budgeting:** In order to contribute to continuous improvement in accountability, efficiency and effectiveness of County operations, and to assist in identifying problems before they become unmanageable or too costly to control, the annual budget shall include the mission, goals and objectives of each department, division or agency, along with prioritized programs designed to achieve those goals and performance indicators to measure their efficiency or effectiveness, as appropriate.
 - **Position Control Summary:** The annual budget shall include a listing of all County positions, including classification and pay scales, by department, agency and/or division. The Legislative and Human Resources Committee shall review the listing and make recommendations regarding the list to the Finance and Physical Resources Committee, which shall approve the list for inclusion in the recommended budget. Requests by departments and agencies of the County for additional personnel will only be considered as part of the budget submission and review process.
 - **Capital Improvement Program Budget:** The annual budget shall include a Capital Improvement Program (CIP) Budget. The County Administrator/Controller shall provide a listing and make recommendations to the Finance and Physical Resources Committee, which shall review and recommend the list for inclusion in the recommended budget submitted to the Board of Commissioners for adoption. Only projects for the current year are appropriated funds in the CIP budget. Phased or multi-year projects must be reviewed annually for additional funding to be appropriated.
- Interfund budget transfers or transfers resulting in an increase in total departmental budgeted expenditures shall be reviewed and recommended by the Finance and Physical Resources Committee and approved by the Board of Commissioners before a commitment to expend the funds is made.

- Any additional revenue which requires increased appropriation must be approved by the Board of Commissioners prior to obligating any of these funds.

Capital Improvement Program (Reviewed 5/5/09)

- The Board of Commissioners requires all County capital improvements/replacement projects to be evaluated for funding within a framework of priorities and the financial capabilities of the County, and as part of a comprehensive budget process.
- The County will establish and maintain a Capital Improvement Fund to account for the acquisition or construction of major capital items not otherwise provided for in enterprise or trust and agency funds. The County will annually deposit, to this fund, a not-less-than sum of monies equivalent to the revenues to be generated from 0.2 mills of the general property tax levy.
- Each department, office and agency of the County will annually submit a proposed list of its capital improvement needs for the next five fiscal years to the County Administrator/Controller's Office, according to a format and schedule developed by the County Administrator/Controller. Items submitted for consideration will be evaluated by a Capital Improvement Review Team which shall include, at a minimum, representatives of the Administrator's Office, Fiscal Services, Purchasing, Information Technology and Facilities Management.
 - *Evaluation:* Items submitted for consideration will be rated according to established criteria. Items rated by the Review Team will be included in the proposed capital budget submitted to the Finance and Physical Resources Committee.
 - *Annual Programming:* It is recognized that the County has limited resources and only a certain number of projects can be funded in any given year. Those projects that are not funded for a fiscal year, as determined by the Board of Commissioners, may be resubmitted for consideration in future years' CIP process.
 - *Purchasing Procedures:* Projects included in the CIP must be acquired through the Purchasing Division and follow established County Purchasing Procedures.

Debt (Reviewed 8/25/11)

- Kent County shall endeavor to maintain the highest possible credit ratings so borrowing costs are minimized and access to credit is preserved. Kent County shall demonstrate to rating agencies, investment bankers, creditors, and taxpayers that a prescribed financial plan is being followed. The Fiscal Services Department will annually prepare an overview of the County's General Fund financial condition for distribution to rating agencies and other interested parties.
- Short-term borrowing to finance operating needs will not be used. Interim financing in anticipation of a definite, fixed source of revenue, such as property taxes; an authorized but unsold bond issue; or an awarded grant, is acceptable. Such tax, bond, or grant application note must mature within three years and may not be rolled over for a period greater than one year. The County shall not incur any indebtedness which shall increase its total debt beyond 10 percent of its assessed value.
- The County Administrator/Controller shall evaluate each proposed financing package and its impact on the County's credit worthiness, and report the evaluation to the Finance and Physical Resources Committee.
- As part of the review process, the Finance and Physical Resources Committee shall review all aspects of the project and recommend to the Board of Commissioners the most appropriate structure of the debt. Options available include notes, installment contracts, industrial development bonds, general obligation bonds, limited tax general obligation bonds, and revenue bonds.

Fees and Charges (Reviewed 8/25/11)

- The County will assess fees and charges as allowed by federal or state law to provide prescribed levels of County services as determined by the Board of Commissioners or by federal or state mandates accepted by the Board.

Fund Balance/Fund Equity (Reviewed 3/24/11)

- The Board of Commissioners, by adoption of an annual budget, shall maintain adequate General Fund equity (reserves and designations) to provide for contingencies, for contingent liabilities not covered by the County's insurance programs, and to provide reasonable coverage for long-term Limited Tax General Obligation debt service. The County will annually designate a portion of Fund Balance, equal to 10% of the subsequent year's General Fund and subsidized governmental fund budgets, for emergency operating purposes. The County will maintain a minimum fund balance equal to at least 40% of the subsequent year's adopted General Fund budgeted expenditures and transfers out, to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment. Cash flow shortfalls are related to property tax revenues, in anticipation of a July 1 (Mid Year) property tax billing.

Grants, Contracts, and Donations (Reviewed 1/11/11)

- When outside funding, in excess of \$25,000, is to be solicited by means of responding to a request for proposal or other application process, the Administrator/Controller or an Assistant County Administrator must approve the request prior to its submission. The County Administrator/Controller may approve acceptance of funding up to \$25,000 received as a result of a grant or donation provided no additional county funding is required and no increase to the current appropriations budget is required. Any receipt of funding over \$25,000 must be approved by the Finance and Physical Resources Committee and if an additional appropriation is required must be presented to the Board of Commissioners for approval.
- Departments and agencies should charge all eligible costs of a program as may be reasonably identified to the outside source. If there are circumstances that warrant the continuation of a program funded by a grant or other outside funding source, consideration may be given to allocating general fund dollars. Requesting agencies and departments must prepare and provide a cost benefit analysis which shall include an analysis of programmatic necessity and an analysis of alternative funding sources, which may be presented to the appropriate standing committee(s) with a recommendation by the County Administrator/Controller.

Investments (Reviewed 1/11/11)

- Kent County will invest funds in a manner which will ensure the preservation of capital while providing the highest investment return with maximum security, meeting the daily cash flow demands of the County and conforming to all state statutes governing the investment of public funds.
- The County Treasurer is authorized to invest in all types of securities authorized by PA 20 of 1943 [MCLA 129.91], as amended, requires the County to have a written investment policy which, at a minimum, includes the purpose, scope and objectives of the policy, including safety, diversification and return on investment; a delegation of authority to make investments; a list of authorized investment instruments; and statements addressing safekeeping, custody and prudence. The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:
 - **Safety:** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 - **Credit Risk:** The County will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by limiting investments to the types of securities authorized and diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
 - **Interest Rate Risk:** The County will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and investing operating funds primarily in shorter-term investments limiting the average maturity of the portfolio.
 - **Liquidity:** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands.

- **Yield:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.
- The County Treasurer shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.
- The “prudent person” standard states that, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”
- The Treasurer shall prepare quarterly investment reports, including a certification regarding compliance with all applicable laws and policies. These reports shall be filed with the Board of Commissioners not later than sixty days following the end of each calendar quarter.

The Basis for Budgeting

The County’s budget is a plan representing the Board of Commissioners’ commitment to provide services to its residents in a cost-effective and efficient manner. The budget is prepared according to the Uniform Budgeting Act, Michigan Public Act 2 of 1968 and is consistent with the Budgeting Best Practices as identified by the Government Finance Officers Association. The basis for the County’s accounting and budget is modified accrual. Modified accrual is the basis of accounting under which revenues are recognized in the period they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

Budgetary control is maintained at the activity (department) level. Control is further enhanced through an on-line integrated accounting/budgeting system that assures fiscal accountability through the establishment of more detailed line-item budgets. Outstanding encumbrances as of December 31 are reported as reservations of fund balance at that date.

The Road Commission and Fiduciary Funds are not provided for in this document and the County does not maintain budgetary control for these funds. However, financial information regarding these funds is available in the County’s CAFR.

Uniform Budgeting Act

The following is a summary of requirements necessary to be in compliance with the Uniform Budgeting Act, Michigan Public Act 621 of 1978.

1. All General, Special Revenue, and Debt Service Funds are required to be budgeted annually.
2. A public hearing must be held on the budget prior to adoption.
3. The budget must be balanced.
4. The budget must be amended when necessary.
5. Debt entered into must be permitted by law.
6. Expenditures must be equal to or less than the amount appropriated.
7. All expenditures must be authorized in the budget.

The Measurement Focus and Basis of Accounting

Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide and enterprise fund financial statements follow applicable accounting and financial reporting standards of the Financial Accounting Standards Board (FASB) issued through November 20, 1989, unless those pronouncements conflict with Governmental Accounting Standards Board pronouncements. The County has elected not to apply FASB pronouncements issued after November 30, 1989.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the County considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except taxes and E-911 surcharge collections which must be collected within 60 days, health department revenue which must be collected within 120 days, and expenditure-driven grants must be collected within one year. Taxes, intergovernmental revenues and interest associated with the current period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt are reported as other financing sources.

Property taxes, intergovernmental revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenues of the current fiscal period.

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Introduction to the Budget Overview

This section provides an overview of the Kent County Budget. It is intended to inform County citizens of the fiscal plans of the County Board of Commissioners and Administration for the coming year. The Budget Message from the Administrator/Controller, pages B-2 through B-12, outlines the key priorities, parameters, and issues involved in developing the *Recommended Budget*, and serves as an introduction and overview to the budget. Additional significant priorities and issues affecting the budget are outlined on pages B-13 to B-16. The Strategic Planning and Budgeting section can be found on pages B-16 through B-21. This section contains the overall goals for the County as well as strategic goals and short-term objectives by department for the Community & Economic Development, Cultural and Recreational, Enterprise Activities, General Government, Health and Welfare, Judicial, and Public Safety functional areas of the County.

Pages B-22 to B-25 present the combined total of all County funds and component units. Funds are classified by seven fund types: General Fund, Capital Improvement Funds, Debt Service Funds, Internal Service Fund, Component Unit Funds, Proprietary Funds, and Special Revenue Funds. This information is summarized in three ways:

- The Budget Summary by Fund on page B-22 summarizes sources and uses for the budget by fund type (i.e., General Fund, Capital Improvement Funds, Debt Service Funds, Internal Service Fund, Component Unit Funds, Proprietary Funds, and Special Revenue Funds). The Fund Balance History on page B-23 provides the beginning and end-of-year balances for each of these funds for 2010 actual, 2011 estimated, and 2012 projected as well as the percent change from 2011 estimated.
- The Budget History by Functional Area on page B-24 summarizes sources by category and uses by functional area (i.e., Community & Economic Development, Cultural & Recreational, Debt Service, Enterprise, General Government, Health & Welfare, Judicial, Public Safety, Other, and Capital,) for the years 2010 (actual), 2011 (amended), and 2012 (adopted). County departments and programs are categorized by these same functional areas in the Department Summaries section.
- The Budget History by Category on page B-25 summarizes uses by category (i.e., Personnel, Commodities, Contractual Services, Operating Capital, Other, Capital Budget) for the same three-year period.

Page B-26 provides a five-year listing of budgeted personnel by County department, organized by functional area.

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| Budget Message from the County Administrator/Controller | B-2 |
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| All Funds Personnel History by Functional Area | B-26 |



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November 1, 2011

The Honorable Board of Commissioners
Kent County Administration Building
300 Monroe Avenue NW
Grand Rapids, MI 49503-2221



RE: 2012 Kent County Recommended Annual Budget

As the Chief Administrative and Financial Officer of the County, it is my responsibility to develop and submit the proposed annual budget for review and approval. The proposed 2012 Annual Budget represents the 14th budget that I have presented to the Kent County Board of Commissioners. The elected officers, department directors, and judiciary continue to do an exceptional job of holding the line on requests in this very challenging environment, while minimizing the reduction in services to our citizens. As we have done in the past, care has been taken to ensure provision of core services while attempting to limit the impact on our General Fund reserves, as directed by the Finance & Physical Resources Committee.

This document is one of many tools used by the Board in its decision-making process. And while the budget is by nature a fluid document—one that can change as emergent needs and circumstances dictate—it is also the single most important comprehensive policy statement about County priorities and programs that the Board of Commissioners makes on an annual basis.

The annual budget is used for a variety of reasons. First, it provides for accountability; it legitimizes public expenditures and accounts for the use of public resources. Second, the budget is a planning tool, used to outline how public resources are received and used. Third, and probably most important, the budget is an information tool, designed to communicate the funding priorities of the organization to our many stakeholders and other interested parties. Thus, the budget should be considered as a means to many ends, but not the end itself.

The 2012 proposed budget for both operating and capital needs has a gross expenditure requirement of \$347.1 million, which is a 1.9% decrease from the adopted 2011 budget. The proposed budget includes operating expenditures of \$344.3 million, and capital expenditures of \$2.7 million. Projected revenues and existing fund balances (reserves) will be adequate to cover the proposed expenditures.

This proposed budget:

- Plans for expenditures that can be supported by current revenues and existing reserves;
- Provides funding to ensure that County facilities and equipment are properly maintained;
- Maintains services and programs to support the quality of life enjoyed by County residents; and
- Maintains a competitive comprehensive compensation and benefits package for our workforce.

The proposed budget is one of balance: balancing many demands that have different constituencies; balancing services the County is required to provide—along with adequate supporting infrastructure to help deliver those services—with programs and services that are discretionary; and balancing new or newer initiatives with services that have traditionally been considered the core responsibility of

Daryl J. Delabbio
County Administrator/Controller

the County. For the eighth time in as many years, department directors were requested to provide two variations of their expenditure needs. Every department was very thoughtful in recommending the reductions proposed. Budget targets were provided and explanation was provided as to the service/program reductions required to meet the targets. I appreciate the responses to our current fiscal challenge that the department directors and their respective budget staffs offered.

Key Dates

A public hearing on the proposed 2012 Budget and millage rates is necessary. It is recommended that the hearing be held in conjunction with the Board meeting on Thursday, November 3, 2011, at 8:30 a.m. The Board should establish the public hearing date at its meeting on October 13, 2011. Formal action on the 2012 Budget is scheduled for the November 17, 2011.

Visioning Sessions

Early in 2010, Chair Parrish led the Board of Commissioners through a series of sessions designed to develop 2020 vision statements related to the County and its various functions. Those sessions resulted in the following directives:

Stable Revenues:

- Kent County will support legislative changes that address unfunded mandates.
- Kent County will advocate for legislative solutions to address stable State revenue (Revenue Sharing; County Jail Reimbursement Program).

Efficient Use of Resources:

- Kent County will seek employment terms that preserve core services.
- Kent County will seek a retirement plan design that supports employees within the current economic climate.
- Kent County will maintain a performance management system that focuses performance on measurable outcomes.
- Kent County will thoughtfully determine what issues it will address, and will base its determination on its ability to deliver high quality programming that will have a measurable, positive impact on the community.

High Quality of Life:

- Kent County will partner and invest in initiatives that promote economic growth and demand.
- Kent County will partner and invest in programs/services to promote the long-term health and welfare of the community.

Proactive and Innovative Government:

- Kent County will advocate for solutions to make consolidation of services efficient and desirable.

Citizen Participation:

- Kent County will provide and improve access and information related to governmental functions.
- Kent County will provide total transparency in all of its financial transactions and policy discussions.

Safe Community:

- Kent County will invest in initiatives that promote the safety of our community.

These directives were kept in mind as this proposed 2012 Budget was developed. That being said,

given the continued stresses being placed on revenues County wide, each department has been affected by reductions in appropriations.

Budget Parameters

Process guidelines and parameters for the 2012 General Fund were established by the Finance & Physical Resources Committee at its meeting on May 17, 2011. Guidelines included expenditure categories for personnel costs, commodities (or supplies), contract services, and aggregate capital expenditures (both operational capital outlay and the CIP).

| Category | Parameter |
|-----------------------|--|
| General Fund Reserves | Not to exceed \$2 million in reserves used to balance the budget |
| New Hires | No new hires requiring a General Fund appropriation |
| Commodities | Not to exceed 2011 level, unless appropriately justified |
| Contractual Services | Not to exceed 2011 level, unless appropriately justified |
| CIP Appropriation | Property tax generated from 0.20 mills of the general operating levy |

The budget parameters were emphasized to all department directors, elected officers, and the judiciary as part of the Budget Call Letters, which were issued in June. The budget review teams conducted their work with the above parameters in mind. The Finance & Physical Resources Committee reviewed and approved a variety of recommendations related to the Capital Improvement Program on July 19, 2011.

Millage Rates

Because no Headlee rollback is required, the proposed operating millage for the July 1, 2012 tax levy is 4.2803 mills. In addition to the operating millage, the Board of Commissioners, at its meeting held on October 13, 2011, will be adopting the millage rates for the debt service and operations for the correctional facility of 0.7893 mills and 0.3244 mills for senior services. Thus, the total proposed millage rate for 2012 is 5.3940 mills, which is the same as the millage levied in 2011. The proposed operating millage rate of 4.2803 mills will be formally confirmed by the Board of Commissioners in May 2012.

Revenues

Taxes: As you know, the County’s State Taxable Value (STV) experienced its first decrease in 2010. The combination of the recession and its impact on jobs, coupled with the housing mortgage crisis and the resultant foreclosures, significantly impacted the County. We saw another decline in 2011. It is estimated that the STV will decline 2.5% to \$19.989 billion in 2012, which is the basis for the 2012 general operating property tax revenue estimate. The STV will generate approximately \$83.5 million in general operating property tax revenue, which is a 2.8% decrease from the estimated 2011 general operating property tax revenue of \$85.9 million. Taxes represent about 59.6% of the County’s total General Fund operating revenue stream. The projection for all tax revenue totals \$116.2 million, and includes the designated millages for the Correctional Facility and Senior Services, as well as Industrial Facilities Exemption Certificate taxes, and the Hotel/Motel Tax.

Intergovernmental Revenues: In eight out of the last nine years, intergovernmental revenues (primarily due to loss of revenue sharing) have been significantly lower than pre-2001 appropriations. As you know, the State mandated that over three years, the County operating millage levy be moved from December to July. This transition started in July 2005 and was completed in July 2007. As of July 2007, the County’s operating millage is billed in July of each year. Excess funds collected during the three year (2005-2007) period were placed in a special Revenue Sharing Reserve Fund, as directed by the State. These funds have been withdrawn according to the State’s requirements, and this fund was depleted during the first quarter of the County’s 2011 fiscal year. While the County received its full

allocation of revenue sharing in 2011, the 2012 revenue sharing payment to Kent County will be at 75% of its full allocation. My expectation is that the battle for statutory Revenue Sharing will be an annual one and we will continue to monitor this issue.

Interest Income: While there were several years where revenue from interest income grew fairly well, the projected revenue from return on investments will be down in 2011 and we have estimated a further reduction in this revenue for 2012. It is anticipated that in 2012, the County will receive \$2.1 million in all funds investment earnings with \$842,100 credited to the General Fund.

Charges for Services: Charges for services, especially those levied by enterprise departments such as the Airport and Public Works, provide approximately 24.0%, or \$82.6 million, of the County's revenue.

Personnel

For the ninth consecutive year, the Finance & Physical Resources Committee concurred with my recommendation to continue a moratorium on adding new positions that require a General Fund appropriation in the 2012 Budget, unless it is demonstrated that the County would save money or if there were increases in revenues to accommodate the additional expenses associated with a new position. Further, the Board adopted a "hiring freeze" policy on any vacant positions, and a Personnel Review Committee was established and meets on a regular basis to review departmental requests to replace employees who have left County employment. As a result the County has been able to not only hold the line on expenditures, but it has lessened the impact on workforce reductions for 2012. Personnel costs represent 40.1% of the all funds operating budget for 2012 and 65.9% of the General Fund operating budget.

The *proposed 2012 Budget* includes a *recommendation to eliminate 21.0 positions*, of which 16.4 are vacant. As a result, there are 4.6 filled positions scheduled for elimination (of which 2.1 were eliminated as part of the October 1, 2011 Budgets approved by the Board of Commissioners on September 22, 2011). A summary of personnel can be found on page B-26.

Capital Improvement Program (CIP)

Continuing as an integral part of the budget is the Capital Improvement Program (CIP) budget for 2012 - 2016. The CIP consists mainly of one-time or non-recurring capital expenditures. The process calls for the Board to adopt the budget for 2012 projects, using 2013 - 2015 as a barometer for future years' capital needs. Approximately \$7.2 million in CIP project requests were received from departments and agencies. As is the case historically, not every request was recommended for funding. At its meeting held July 19, the Finance & Physical Resources Committee voted to recommend that \$3.9 million be appropriated for CIP projects (as identified/itemized in the budget document), an increase over the \$3.3 million budgeted in 2011 because 0.2 mill has been dedicated to capital improvement projects for 2012, compared to 0.15 mill in 2011.

Hotel/Motel (Lodging Excise) Tax Fund

The Hotel/Motel Tax Fund is once again being highlighted because it must still be subsidized by the General Fund. The good news is that revenues have been up in 2011, and there will be less of a General Fund subsidy required. In consultation with Experience Grand Rapids, we anticipate modest increases in revenues from hotel and motel taxes in 2012. The Hotel/Motel Tax has historically been used for the following purposes: (1) debt service on the bonds for the DeVos Place Convention Center; (2) the County's contribution to the Grand Rapids-Kent County Convention & Visitors Bureau; and (3) a \$10,000 contribution to the Arts Festival for marketing purposes. In 2007, a new commitment

was added to contribute \$200,000 annually to the Sports Commission through 2011. The 5-year commitment has been fulfilled, but the proposed 2012 Budget does include a \$100,000 appropriation to the Sports Commission.

Because funding commitments from the Hotel/Motel Tax continue to exceed revenues, for the 2012 budget it is proposed that General Fund dollars be used to subsidize this fund, which is something that has been done since 2009. The recommendation for 2012 is to provide that Hotel/Motel tax funds be used for debt retirement for the bond issues on the Convention Center (\$5.45 million for the Series 2001 Bonds and \$390,263 for the Series 2003 Bonds); an estimated \$854,594 to Experience Grand Rapids (Convention & Visitors Bureau), which is 14.5 percent of estimated hotel/motel tax proceeds; \$10,000 for the Arts Festival; and the \$100,000 contribution to the Sports Commission.

Credit Rating

Given the economic climate in the State of Michigan, Kent County continues to remain fiscally sound, as evidenced in part by retaining the triple-A credit ratings from both Standard & Poor's and Moody's Investor Services' for long-term debt. The proposed Budget shows a modest use of reserves, but this has not been accomplished without some sacrifices. We saw earlier this year (as the U.S. government saw Standard & Poor's lower its credit rating) how important it is to maintain a strong financial position. The County must continue to be disciplined and exercise fiscally sound budgeting practices, which has been our historical practice. Again, most department directors have risen to the challenge and have thoughtfully prepared and submitted their respective budget requests.

Other

Compounding the above are the increased and often conflicting demands for limited resources as well as the "entrenched constituencies" that exist within some departments. As is the case with all budgets, the recommendations contained herein do not include full funding of everything that was requested by departments. The budget can best be described as one of balancing departmental ambitions with available resources and Board-identified parameters and priorities. As requests continue to exceed resources, the Board must continue to determine the level of services it is required by law to provide and what additional services it wants and is able to provide. The Mandated Services Study, and continuous reference to it through Standing Committee Action Request forms, serves as one tool to assist the Board in this endeavor.

It is important to remember that while we have experienced modest surpluses during the past several years, and anticipate the same for 2011, we have not "grown" out of our financial difficulties. We have been able to temper the economic times we face with difficult decisions. We have also been able to temper two of the largest impacts on our budget, pension and health care costs, with aggressive changes. These decisions have affected every County department.

On the Horizon

Revenue sharing has been reduced in 2012 by 25 percent from its full allocation. My expectation is that this will continue to be seen as a low-hanging fruit for the State to continue to pick, ultimately resulting in total elimination of statutory revenue sharing.

Second, the ongoing ramifications of mortgage foreclosures continue to affect the County. We are monitoring this as we forecast and update revenue projections.

Third, the Hotel/Motel Tax Fund continues to require an appropriation from the General Fund to

meet its obligations. While some costs have been reduced or eliminated, expenditures significantly exceed revenues.

Fourth, the State continues to look at eliminating the Personal Property Tax. This represents \$9.9 million in revenue to the County. If this tax is eliminated without replacement funding, the impact would be devastating. This represents the equivalent of 141 FTE positions.

Fifth, the implementation of, and costs associated with, the Children's Rights settlement entered into by the State are not fully known. As a result, we are still not sure of the impact, but we know it could amount to as much as \$4.0 million annually. This cost has not been included in the proposed budget as we await further details on its implementation.

Finally, as I have mentioned in the past two budget transmittal letters, at some point in the near future, the County will have to begin examining replacement of its financial, payroll, and human resources software applications (commonly referred to as PeopleSoft). This will be a significant undertaking and will require both financial and human resources. In addition, the County's technology infrastructure is not keeping up with the times. While I don't believe we should be on the "cutting edge" of technology, it is important that we maintain an infrastructure that will allow improved efficiencies. This is a prelude to my 2013 budget: I will be requesting that a Technology CIP be established, and my expectation that it could approach \$7.5 million. I do not believe it is prudent to put the County in a similar position that was faced in the late 1980s/early 1990s, which required significant investments in technology during the mid-to-late 1990s. We must maintain technology infrastructure that has improved efficiencies and will continue to do so.

Summary of Major Operating Budget Changes

The *proposed 2012 budget* provides for \$347.1 million in expenditures and \$343.7 million in revenues. This is a 1.9% decrease compared to the 2011 adopted budget expenditure level of \$353.7 million. The following highlights major impacts as a result of the proposed budget recommendations.

Sheriff

The 2012 budget includes the following eliminations: a) one full-time (vacant) County Patrol Officer position that is assigned to the detective division which will reduce the number of cases which receive follow-up investigation; b) one full-time (vacant) Office Administrator position of which the supervisory duties have been assigned to a Lieutenant and the clerical duties are being completed by deputies; which is reducing the amount of time dedicated for general patrol and lengthens response time for non-critical incidents; c) one part-time (vacant) Laundry Service Coordinator position of which the duties were absorbed by staff; and d) one full-time (occupied) Account Clerk I position in booking. The duties conducted in the booking area will be streamlined through the use of technology. Other reductions include reducing the vehicle fleet size by eight vehicles and extending the life of other vehicles, and an estimated reduction in utility use as a result of implementing additional energy reduction strategies.

Circuit Court

The 2012 budget includes the elimination of one full-time (vacant) Court Recorder position which is no longer necessary due to the installation of technology and the elimination of one full-time (vacant) Circuit Court Clerk position of which the duties have been redistributed amongst staff. In addition, the 2012 budget includes a reduction in the amount of funding for court-appointed attorneys which are required in abuse and neglect cases. While the final impact of the Children's Right's Lawsuit is still unknown and as Child Protective Service removals continue to rise, the Court will continue to closely monitor these expenses.

Facilities Management

The proposed 2012 budget notes an increase of approximately \$1.4 million, which is primarily due to the County paying 100 percent of the debt on the Human Services Facility. In 2011, this debt was paid from excess bond proceeds.

Information Technology

The 2012 budget reflects changes to some service support agreements with vendors, reducing coverage from 24/7 to business hours-only for certain equipment. While this has the potential to adversely affect some areas that operate beyond normal business hours, it is anticipated that the impact will be minimal. In addition, the budget is based on deferring expenses for some software and hardware which would, under best practices, be updated, refreshed, or replaced. Consistent with previous years, IT staff will continue to make deferral decisions so as to minimize the impact on critical IT infrastructure. As a result of the continued deferrals, the County is not running current versions of certain widely-used software, which is beginning to impact user productivity. In 2012, IT staff will be reviewing options to ensure that Kent County continues to maintain adequate levels of technology to support County operations.

Zoo

The 2012 budget does not include any changes to entrance or program fees, and anticipates the opening of the Tree House and Funicular during 2012. The 2012 budget does not include any personnel reductions and existing programs and services are expected to be provided at the same levels in 2011, including closure during the winter months of January, February, November and December. The budget defers some park maintenance including the removal of dead trees, delays the replacement of some computer equipment, and reduces funding for training, and memberships.

Parks

The 2012 budget maintains the 2011 fee schedule for most programs and services. The 2012 budget does not include any reductions in personnel, but does reduce seasonal labor by approximately 2,000 hours which amounts to 3% of the seasonal hours. In total, the Parks Department has reduced seasonal hours by approximately 19% since the 2009. The Parks Department is restructuring the seasonal staffing schedules to adapt to the reduction in hours and will continue to utilize volunteers to address land management issues such as invasive species and other special projects; a seasonal volunteer coordinator position has been expanded to a regular part-time position to enable additional time to be spent on volunteer recruitment and support. As has been done in previous years, department will continue to defer building and grounds maintenance and delay the replacement of certain vehicles and equipment. Services at Pickerel Lake Park and Brewer Park will continue to be maintained at the 2011 level, with snow-plowing services continuing to be limited to weekdays.

District Court

The 2012 budget includes the elimination of one full-time (vacant) Clerk I position and one full-time (vacant) Court Clerk/Legal Clerk position. These duties have been redistributed to staff and there is no anticipated impact on the services provided in 2012.

Policy/Administration

The 2012 budget does not include the elimination of any positions, and for the most part, program and services will be maintained at the 2011 level. The 2012 budget does include a reduction in funding for management studies, and for the Prevention Program. Reductions to the County's Prevention Initiative will result in approximately 120 fewer families receiving Primary Prevention Family Support (Healthy Start) services; although the majority of these families will be served by other programs, including the County's Nurse Family Partnership Program, which received additional funding for the upcoming fiscal year. Similarly, funding reductions to the Family Engagement

Program (Substance Abuse Services) will not result in any decreased services due to network 180's ability to leverage additional Medicaid funding. As a result of our ability to leverage and better coordinate resources through the Kent Schools Services Network (KSSN), we will be able to maintain service levels for P-21 Early Impact programming (early intervention for children at risk of abuse and neglect) at the 15 KSSN school sites. Since child assessment data shows that very few families participating in the P-21 program enter the Child Protective Services system, further reductions in funding could result in higher expenditures in the Child Care Fund longer-term. Funding for Prevention Initiative evaluation services is being kept intact and reductions in program services funding will not negatively impact the validity of the on-going study.

Bureau of Equalization

The 2012 budget includes the elimination of one full-time (vacant) Appraiser III position. Through departmental efficiencies, the functions of this position will be distributed to staff to maintain appropriate service levels.

Clerk/Register of Deeds

The 2012 budget includes the elimination of one full-time (vacant) Clerk II position and one full-time (vacant) Clerk Typist I position. Through the continued streamlining and automation of processes, the service levels continue to be maintained.

Fiscal Services

The 2012 budget includes the elimination of one part-time (vacant) Clerk II position in Fiscal Services. Through continued streamlining and automating of processes, these duties have been redistributed. All services areas, including Fleet Services, Central Services, and Purchasing, will continue to maintain the service levels provided in 2011.

MSU Cooperative Extension

In 2012, Michigan State University is changing the contractual arrangement it has with counties to include a base assessment which will cover specific services, with the opportunity for the County to purchase additional services. For the most part, MSU Extension will continue to provide the same programs and services to residents as in 2011; however, the 2012 budget includes the elimination of one full-time (occupied) Clerk Typist II position and one part-time (occupied) Gardening Assistant position. The elimination of the Clerk Typist II position will require restructuring of front-desk services which may reduce the number of hours that the front-desk is staffed to greet visitors to the facility, require rerouting of the phones to a centralized call-answering point, and redistribution of other clerical duties to other staff. The 2012 budget for the Purchase of Development Rights Program, which is overseen by MSU Extension, includes an allocation of \$150,000, a reduction of \$125,000 from the 2011 budget, which will result in a reduction in the number of farms preserved in 2013.

Health Department

The 2012 recommended budget includes the elimination of one full-time (occupied) and one part-time (occupied) Family Health Assessor positions from the Healthy Start Program. Funding for this program was provided by a contract, which was supplemented by the General Fund. These services are also provided by two other program providers in the community and it is anticipated that those programs will be able to meet the service demands.

The 2012 budget also includes the elimination of one full-time (vacant) Clerk Typist II position, one part-time (vacant) Clerk Typist II, and one full-time (vacant) Stores Clerk II position, and the reduction of a full-time (vacant) Clerk Typist to part-time. These administrative duties have been distributed among other staff.

The Health Department will also be eliminating one full-time (vacant) Outreach Worker I position, and reducing one (occupied) Public Health Nutritionist and one (vacant) Public Health Nurse from full- to part-time, which will result in fewer Maternal Infant Health Program clients being served. These eliminations and reductions are being recommended based on efficiencies achieved by the State automating some processes, and through the redistribution of the workloads amongst staff.

Finally, the 2012 recommended budget includes the elimination of one part-time (vacant) Medical Technologist no longer needed due to a reduced workload in the lab. During 2012, the Health Department will be reviewing the lab services to determine continued need and viability following the transfer of certain state-funded testing to another state-funded lab. This review may result in additional service and staff reductions which could take effect during the third quarter of fiscal year 2012.

Circuit Court - Child Care

The 2012 recommended budget includes the elimination of one full-time (vacant) Juvenile Probation Officer Supervisor. Supervision duties have been distributed to other supervisors. In addition, the Circuit Court anticipates continuing to be able to reduce the costs of residential treatment/placement services, foster care placement, and out-of-home placement costs. These reductions are possible as a result of a downward trend in the number of juvenile delinquent cases and through considerable oversight by the courts and judiciary to prevent unnecessary placements.

DHS - Child Care

The DHS Child Care Fund contracts with local, non-profit agencies to deliver services. The 2012 recommended budget anticipates that DHS will continue to work with local partners to reduce the number of institutional placements, monitor cases, and increase the number of foster care homes that are available. County staff from the Administrator's Office, Fiscal Services, and the Circuit Court continues to work with DHS to monitor costs. There continues to be several uncertainties that could impact the 2012 budget, including the implications of the Children's Rights Settlement, increases in removals for neglect, and increases in the amount of time children are placed in emergency shelters. These issues will continue to be monitored and addressed throughout 2012.

Fire Commission

The 2012 budget includes a shift of the replacement cycle for fire trucks from 16 to 17 years which allows the County and members of the fire commission to defer an annual payment. This is still within the agreed upon terms with the Fire Commission to have a 20 year replacement schedule. The Fire Commission concurred with this proposal and there is no impact to fire services provided by the townships.

Veteran's Affairs - Indigent Veterans Care

Pursuant to the direction of the Finance & Physical Resources Committee, the Veteran's Affairs proposed budget was increased \$94,800, from \$167,333 to \$262,133.

Lodging Excise Tax

The 2012 budget includes the elimination of \$158,652 in the General Fund Transfer Out to the Lodging Excise Tax Fund (Fund), reducing the subsidy from \$1,000,000 to \$841,348, to provide the General Fund with a structurally balanced budget. The Fund may absorb this reduced Transfer In in two ways. The recommended budget provides for a 1% growth in lodging tax revenues, if the lodging tax revenue for 2012 were to grow at a rate of 3.7%, the proposed reduction in subsidy would be offset by these additional revenues. If the extra revenue growth fails to materialize, there is adequate fund balance within the Fund to absorb the projected shortfall. If the entire budgeted shortfall of \$238,158 had to be absorbed, there would be an estimated \$316,004 left in fund balance. Should this latter

scenario occur, the 2013 General Fund Transfer Out will be increased by an amount sufficient to bring the fund balance to approximately \$490,000, which complies with Board policy.

Board Goals

Since 1995, the Board of Commissioners and key administrative staff have met in seven major priority and goal-setting sessions. The 1995, 1997, 1998, 1999, 2005, 2009, and—as mentioned above— 2010 sessions can be summarized in the following statements. Kent County strives to:

- Conduct County affairs in an open and accessible manner by communicating with the public and local units of government about the issues faced, services provided, and contributions to the quality of life made by the County by continuing to develop a communication and information infrastructure based upon sound technological innovation and investment;
- Actively pursue legislative changes needed to support decisions made by the Board of Commissioners not only to secure the County's fair share of state and federal funds but also to advance the County's priorities and initiatives to improve services to our citizens; and
- Be an effective steward of public funds using professional budgeting and fiscal management techniques and practices to: provide mandated services and, within the limits of available resources, discretionary services; and invest in the maintenance of the County's infrastructure. This will be accomplished by taking measures to preserve a strong financial position as measured by:
 - The County's favorable credit ratings;
 - Maintaining adequate reserves;
 - Maximizing revenues internally; and
 - Recruit, train, and develop a diverse and qualified work force.

This budget also continues to reflect the policy of the Board as identified in the County's Fiscal Policies, which is to maintain 10% of the subsequent year's operating budget in reserve. This level of fund balance is necessary to maintain and protect the County's outstanding bond ratings, which continues to be a high priority of the Board of Commissioners.

Performance Measurements

County departments, offices, agencies, and the judiciary continue to make significant progress in developing and utilizing performance measurements (PMs). The bar has been raised as a result of the biannual review of departmental PMs by the Legislative & Human Resources Committee and the enhanced database developed by the Performance Measurement Review Team (PMRT). There is an increased emphasis on outputs and outcomes, as well as indicators related to both, and to efficiencies that departments are achieving and measuring.

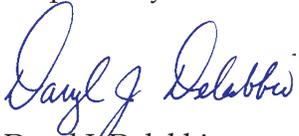
Conclusion

The budget is the primary policy statement on County programs and priorities from the Board of Commissioners to the citizens of Kent County. The budget provides information to the public on the funding priorities and programs that have been established. In this sense, the budget is also a plan. It provides a road map for departments, offices, and agencies to use in implementing the programs funded by the Board. And, like most plans, the budget can—and should—be a flexible document that is subject to change as needs emerge, more information becomes available, and priorities change.

As mentioned above, the 2012 Budget can best be described as an effort to balance the major and conflicting needs of the organization and community, weighing priorities, emphasizing the mandated functions of the County, and attempting to appropriate limited resources in the most reasonable and responsible manner as possible. The budget process has been a difficult one, but it represents the best efforts from all departments, offices, and agencies. I am in my 35th year of local government, and the budgets that have been developed during the last six years have been the most difficult I've experienced over that time. Tough decisions have been made, and the reductions during the past five years, and those contained in this year's budget, total over \$25 million. It is a credit to the Board of Commissioners, the department directors, and all employees that enables Kent County to continue to be one of the premier local governments in the Country.

Once again, I would like to thank all the departments, elected officers, and judiciary for their cooperation and assistance in developing the proposed 2012 Annual Budget. Many people contributed to this effort and all should be proud of the results. In addition, I would like to express my appreciation to the CIP Review Committee, the Operating Budget Review Committee, the Performance Measurements Review Team, the Finance & Physical Resources Committee, and the Board of Commissioners for the extensive work required to develop this document. I would also like to commend the Fiscal Services staff for the tremendous amount of time and effort that was devoted to the preparation of this budget.

Respectfully,



Daryl J. Delabbio
County Administrator/Controller

Significant Priorities and Issues

In keeping with its commitment to maintaining a financially strong and effective organization, Kent County continually assesses and monitors the potential financial impact of external circumstances, as well as that of internal policies and programs. The following are substantive issues, initiatives, and fiscal issues affecting County finances during 2012 and beyond.

Revenue Sharing

As a result of its ongoing budget issues, the State of Michigan's FY 2005 budget "zeroed-out" County-revenue sharing. To provide replacement revenue, the State legislature enacted legislation (Michigan Public Act 357 of 2004) which changed the collection schedule for the County's general operating property tax from December to July. As a result, beginning with the 2005 summer tax levy, one-third of the County operating property tax levy was collected as a summer tax. In 2006, two-thirds of the operating tax levy was collected in the summer. In 2007 (and thereafter), the entire operating tax levy was collected in the summer. Winter tax bills were reduced each year by the same amount. The additional funds that Kent County collected, as a result of the accelerated tax billings, over this three year time period, were placed in a special fund and were drawn down on a schedule similar to distributions the County would have received in revenue sharing payments from the State. This reserve fund was depleted during the first quarter of 2011, and the State restored revenue sharing payments to the County in 2011. The State's FY 2012 Budget, however, included a reduced appropriation for revenue sharing payments for counties. As a result, the County's FY 2012 Budget contains approximately 24% less in revenue sharing payments from the State.

State and Local Economic Forecasts

The State economic slow down since 2001 continues to affect the residents of Kent County, as well as Kent County revenues. The lengthy recession being experienced by durable goods manufacturers in West Michigan directly affects Kent County resources, which has resulted in lower property values and reduced property tax revenues, and has forced reductions in State shared revenues. As a result, Kent County revenues have been relatively flat or slightly reduced, and some previously funded State programs have been eliminated or reduced. These reductions in revenue growth have required the establishment of the 2012 budget parameters, including continuation of a moratorium on adding new positions that require additional General Fund appropriation and requests to department directors to prepare budgets maintaining or decreasing overall spending while absorbing increases in personnel costs for health care and negotiated salary increases.

Economic Development - Utilization of Tax Increment/Exemption Initiatives

Local governmental units in Kent County continue to establish and/or extend tax exemption and tax capture districts. It is expected that, without legislative relief, this percentage of tax levy diversion will be at minimum maintained or in a more likely scenario increased over the next several years. The County must seek legislative relief in the form of limitations on the amount of tax capture either by time or amount. The County's ability to continue delivering basic public safety and social welfare programming may become jeopardized by the continuing and increasing diversion of County tax levies to other local government spending initiatives.

Financial Planning

Unassigned fund balance in the General Fund is an estimated 6.8% (12/31/2011) of total General Fund expenditures and transfers out. As part of a sound financial management program, management prepares a five-year financial forecast for the General Fund. Based on the current financial forecast, the County will be able to continue current service levels without raising its tax rate while retaining a projected fund balance of \$68.7 million at December 31, 2011.

Lodging Excise Tax

There are a number of Hotel/Motel Tax funding issues that must be addressed in the near future. Revenues from hotel and motel taxes are used for the following purposes: debt service on the bonds for the DeVos Place Convention Center (approximately \$5.84 million in 2012); the County's contribution to Experience Grand Rapids (Convention and Visitors Bureau) of \$854,594 in 2012; and a nominal (\$10,000) contribution to the Arts Festival for marketing purposes. Also included in the 2012 Budget, is an appropriation of \$100,000 for the West Michigan Sports Commission.

While experiencing declines from 2008 through 2010, 2011 transient tax revenues in the Hotel/Motel Tax Fund increased 18.5%, but are still not able to meet annual expenditure commitments. The operating deficit in 2011 required an estimated \$1.0 million subsidy from the General Fund to maintain the level of reserves required by policy, and the FY 2012 Budget includes a General Fund subsidy of \$841,348. In addition, the County's agreement with Experience Grand Rapids ends in December 2012 and is expected to be renegotiated sometime during 2012. While revenues in 2011 exceeded expectations, and a modest increase in revenues is expected in 2012, it is anticipated that General Fund subsidies to the Hotel/Motel Tax Fund will continue until the debt on the DeVos Place Convention Center is retired.

Personal Property Tax

In 2011, with a new State administration and legislature, there has been renewed interest in eliminating the oft-criticized Personal Property Tax (PPT). Kent County receives approximately \$9.9 million annually (of which \$7.86 million goes to the General Fund, \$1.45 million to the Corrections/Detention Fund, and \$595,000 to the Senior Services Fund); so there is concern that if the tax is eliminated, and if there is no replacement funding, then significant reductions will have to be made in programs and services offered by the County. It is anticipated that the State will introduce a plan to eliminate the PPT sometime in 2012.

July 1 Tax Collection

In 2004, the State Legislature dictated that county governments shift their annual operating tax levy from the traditional December 1 date to a July 1st billing cycle. The transition from winter to summer tax billing was to take place over a three-year time period resulting in the County's operating tax levy, for Fiscal Year 2007, being presented to taxpayers on July 1st.

General Fund programs/services are primarily financed by revenues generated from these operating tax levies. Over 50 percent of General Fund revenues are generated from the levy of property tax. The County will begin its Fiscal Year 2012 Budget on January 1, 2012, immediately thereafter incurring expenditures approximating \$13.4 million per month. Generating only \$7.6 million in revenues each month over the course of the first seven months, the County can expect to become especially reliant on the maintenance of significant annual carryover cash reserves in order to maintain a positive General Fund cash balance prior to receipts coming in, from the July 1st property tax levy, in August and September of each fiscal year.

In January 2007, the Board of Commissioners amended the fund balance policy to annually designate (set-aside) an amount equal to 40.0% of subsequent year estimated general tax levy revenues. This designation of fund balance will provide sufficient intra-year cash flow reserves to maintain liquidity (promptly pay for goods and services as received).

Energy Use Reduction Program

In June 2008, the County established an Energy Use Reduction Work Group to focus on strategically and cost-effectively reducing overall use of energy resources by the County. In August 2009, the County was awarded a \$2.8 million grant from the Department of Energy to develop an energy strategy and plan for the implementation of the grant dollars. The County's Energy Strategy was approved in March 2010, and implementation began immediately. During the past several years, the Facilities Management Department has been working to install new equipment in many of the County facilities, including the Health Department, Sheriff's Department, 82 Ionia, the Information Technology (IT) building, the Courthouse, and the County Administration building. The improvements at these facilities combined with Facilities Management's expertise to fine-tune the lighting and heating/cooling systems has resulted in a 14% reduction in energy use in 2011 when compared with 2008. Additional improvements are scheduled in 2012.

Intergovernmental Collaboration Effort

Kent County has a long history of shared services and intergovernmental cooperation and over the years has assembled over 100 collaborative efforts including public-private partnerships as well as endeavors with other local units of government or quasi-governmental organizations. Through these formal and informal arrangements, Kent County and surrounding municipalities have seen not only efficiencies and savings, but also service enhancements in a time of constrained resources. Following are a few of the "new" collaborations established in the past year.

Reverse Auction: The Kent County Purchasing Division implemented an automated consolidation requisition system. This imaginative system provides local Kent County governmental agencies, at no cost to the agency, to enter their goods and services requirements into Kent County's purchasing system. The system automatically consolidates usage for Reverse Auction bidding. Currently there are 15 Kent County cities or townships that participate in this collaborative effort, and a collaborative pilot program has been introduced to Ottawa County. The vendor community has benefited from increased opportunity to bid while at the same time reducing costs for Kent County, Kent County local governmental agencies, and Ottawa County, by leveraging the purchasing volume.

County 911 Dispatch: The County has been working with local units of government since 2001 to make improvements to the emergency 911 system. In late 2009, the Authority approved a contract for a new \$2.8 million Computer Aided Dispatch system which will provide the technology to simultaneously dispatch police, fire, and EMS personnel. This system is integral to enhancing the delivery of Emergency 911 Services in Kent County.

State of Michigan IT Connections: The County worked with the State of Michigan to consolidate multiple leased line connections to a single connection with higher bandwidth. Since the State of Michigan's building and the County's downtown data center are next to each other, it was a relatively easy and low cost matter to connect to the high-speed leased line the State uses from Grand Rapids to Lansing. This eliminated separate connections currently used to support activities such as Friend of the Court and hook-up to "LEIN" - Law Enforcement Information Network. The County recently entered into an agreement with the Michigan Department of Transportation to share a Fiber Optic network. MDOT has agreed to provide the County with access to connections on the I-96, I-196, and M-6 Intelligent Traffic System fiber ring around the City of Grand Rapids with an irrevocable right to use the System. With the latter project, the County is expected to reduce costs by \$12,000 annually.

Parking: Since 2001, the County has been part of a condominium association (with Ellis Parking) that owns a parking structure on Lyon Street. The County "owns" approximately 100 parking spaces used by employees who work at the Courthouse. And in 2008, the County entered into an agreement with the Gerald R. Ford Foundation to lease parking spaces for jurors at the Courthouse.

Recycling: The Department of Public Works has a number of collaborative efforts in the area of recycling. In 2010, DPW opened a new single-stream recycling facility, located in Grand Rapids. The DPW and the City of Grand Rapids are developing a plan to place recycle carts for all residents. The recycling facility serves the entire County and has the capability of serving communities outside the County. The existing recycling facility was sold to Interurban Transit "Rapids" to be used for expansion of their public transportation maintenance facility.

Kent School Services Network (KSSN): The Kent School Services Network was launched in September 2006 with leadership from the Kent County Family and Children's Coordinating Council (KCFCCC) and the County Administrator's Office. After five years of service, the initiative has identified several positive outcomes, most notably a decrease in chronic absenteeism which affects the ability for students to learn. This is related due to the realignment of services provided by the Network. Currently, KSSN Network serves 18 schools in six districts with the purpose of providing responsive and effective, seamless, integrated service delivery to families and students through Kent County public schools by all service providers (nonprofit, state, and county) to ensure that all kids are healthy and learning. The Network is a partnership among Cedar Springs Public, Grand Rapids Public Schools, Godfrey Lee Public Schools, Kentwood Public Schools, Wyoming Public Schools, Kent County and its Health Department, Kent Intermediate School District, Kent Department of Human Services, network180, and Spectrum Health. Funding is provided by the above entities and the Grand Rapids Community Foundation, Doug & Maria DeVos Foundation, Steelcase Foundation, Frey Foundation, United Way, Keller Foundation and the Institute for Systematic Change.

415 Franklin Property Exchange: Following the move of the Department of Human Services to the new Human Services Complex in 2009, the County and City of Grand Rapids entered into an agreement for the transfer of the former site of the offices to the City in exchange for property near the new Human Services Complex that will be converted into additional parking for the facility.

Public Law Clinic: In collaboration with Cooley Law School, the County is participating in its Public Sector Law Project (PSLP). Law school students serve, under the direction of a Cooley faculty member and the County's Corporate Counsel, "internships" and provide legal research to County departments, elected offices, authorities, agencies, boards and commissions.

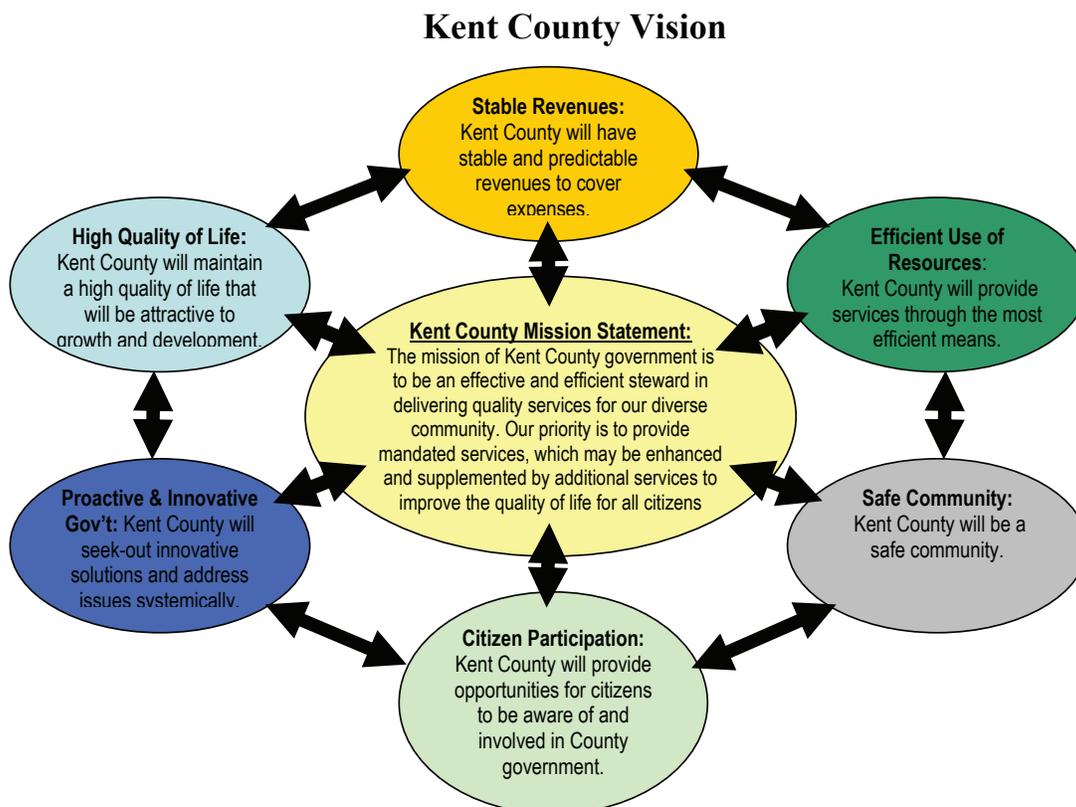
Kent/MSU Extension Agreement: Since 1912, Michigan State University has partnered with counties throughout Michigan to provide extension services. The exact services to be delivered and funded have been formalized in various Memorandums of Agreement. In 2010, MSUE began the process of standardizing the

services they offer as well as the manner in which they negotiated with counties for specific services. Under the new format, Counties have been asked to enter into a five-year agreement with annual work plans which will be developed concurrently with the County budget. Under the terms of the new agreement, counties will pay a standardized assessment based on a formula which includes a base amount and population-based formula. The County approved the agreement in November 2011.

A complete list and description of over 100 partnerships that Kent County participates in or has established is available online at: http://www.accesskent.com/YourGovernment/Publications/pdfs/2010/Intergov_Coop_Update_2010.pdf

Strategic Planning and Budgeting

The most formal, complete strategic planning exercise undertaken by the Board of Commissioners took place in 2006. The process resulted in two products, a Summary Plan document and Detailed Proceedings: the Summary Plan provided a mechanism to communicate Board policy, mission, goals and “way of doing business” to all departments; the Detailed Proceedings consisted of a record of the discussions undertaken throughout the process. The document has been used as the basis for setting priorities with respect to organizational development and resource allocation, and has served as a road map for guiding County activity in a variety of areas. In 2009, as resources became further constrained, the Board participated in a facilitated, multi-session Priority Setting Session to re-evaluate and provide updated direction to staff on the weight and level of urgency associated with the various previously identified activities. In 2010, a new Board Chair initiated a new strategic planning cycle, and engaged the Board in a Visioning Session, to create a description of the County they desire for 2020. While many of the earlier goals, strategies and tactics remain current, each will need to be reviewed and re-aligned, if necessary, with the new Vision. As this process unfolds throughout the organization, departments continue to be guided by the remaining and continuing goals and objectives. Kent County’s Vision and Associated Directives and Policies are outlined below, along with continuing strategic goals and tactical objectives. Additional summary information is provided at the beginning of each functional area (i.e. Community & Economic Development, Cultural & Recreational, Enterprise Activities, General Government, Health and Welfare, Judicial, and Public Safety) in the Department Summaries (Section D). The Kent County Vision is as follows:



- Maintain stable and predictable resources to cover expenses;
- Provide services through the most efficient means;
- Maintain a high quality of life that will be attractive to growth and development;
- Implement innovative solutions and address issues systematically;
- Provide opportunities for citizens to be aware of and involved in County government; and
- Provide a safe community.

The following are Board Policies or Directives Associated with each of the above Vision Statements:

Stable Revenues:

- Kent County will support legislative changes that address unfunded mandates.
- Kent County will advocate for legislative solutions to address stable State revenue (Revenue Sharing; County Jail Reimbursement Program).

Efficient Use of Resources:

- Kent County will seek employment terms that preserve core services.
- Kent County will seek a retirement plan design that supports employees within the current economic climate.
- Kent County will maintain a performance management system that focuses performance on measurable outcomes.
- Kent County will thoughtfully determine what issues it will address, and will base its determination on its ability to deliver high quality programming that will have a measurable, positive impact on the community.

High Quality of Life:

- Kent County will partner and invest in initiatives that promote economic growth and demand.
- Kent County will partner and invest in programs/services to promote the long-term health and welfare of the community.

Proactive and Innovative Gov't:

- Kent County will advocate for solutions to make consolidation of services efficient and desirable.

Citizen Participation:

- Kent County will provide and improve access and information related to governmental functions.
- Kent County will provide total transparency in all of its financial transactions and policy discussions.

Safe Community:

- Kent County will invest in initiatives that promote the safety of our community.

Community and Economic Development

Community Development and Housing Commission

Strategic Goals

- Maintain/enhance partnerships and relationships that support the Mission of Kent County government
- Diversify sources of revenue

Short-Term Tactical Objectives (by Department)

- **Community Development:** develop partnerships with community-based organizations to construct or rehab more single-family homes; increase program income by increasing amount of loans made for rehabilitation (vs. grants); provide more educational programming for prospective home owners; pursue opportunities to contract with outside vendors for rehabilitation work to reduce cost of operations; continue to collaborate and fund projects for local units of government and non-profit partners
- **Housing Commission:** increase the number of housing choice vouchers available to veterans and the disabled; increase the number of clients participating in the Family Self Sufficiency program

Cultural and Recreational Functional Area

John Ball Zoological Gardens and the Parks Department

Strategic Goals

- Diversify funding sources – become more self-supporting
- Achieve a complete make-over of the zoo program and infrastructure within next ten (10) years
- Adopt a governing structure for the zoo that reduces County involvement in operations
- Achieve position as a provider of preferred recreation attractions in the Grand Rapids area
- Provide a comprehensive array of park experiences to the county population that meets/ exceeds community expectations

Short-Term Tactical Objectives (by Department)

- **John Ball Zoo:** formally improve exhibits, amenities, infrastructure, revenue sources, and presence in the community over next five (5) years; achieve a dominant position in local, state, national, and international conservation and research programs for zoological activities of its size; provide pre-eminent outreach and on site educational experiences
- **Parks Department:** maintain and renovate the existing parks to achieve a level of quality consistent with users' expectations; continue to implement the master plan of land acquisition; analyze, recommend, and obtain approval of a sustaining maintenance and operations budget that meets customer expectations; develop programming that increases usage and revenue

Enterprise Activities Functional Area

Department of Aeronautics and the Department of Public Works

Strategic Goals

- Participate in the economic development and planning efforts of the region
- Expand public and private customer service area for single stream recycling
- Continue to respond to changing economic and community demand, adjusting services accordingly
- Budget and operate without the use of Kent County General Fund support
- Implement approved Solid Waste Management Plan goals and objectives that include expanded solid waste recovery prior to disposal in recycling services and systems
- Develop and implement a strategy for sustainable solid waste recovery, processing, and recycling services and systems

Short-Term Tactical Objectives

- Improve the Geographical Information System (GIS)
- Improve electronic (digital) record-keeping (both)
- Pursue appropriate federal and state grants (both)
- Complete landfill expansion into Allegan County; augment waste water collection services in cooperation with Township service districts

General Government Functional Area

Administrator's Office, Office of the Executive Assistant to the Board of Commissioners, Bureau of Equalization, County Clerk/Register of Deeds, Drain Commissioner, Facilities Management, Fiscal Services, Human Resources, Information Technology, Kent/MSU Cooperative Extension, Prosecutor's Office-Criminal, Appellate and Juvenile Divisions, and Treasurer's Office

Strategic Goals

- Politically advocate to protect current sources of revenue from legislative changes
- Reduce cost of Kent County government operations
- Develop internal and external communications strategy
- Diversify sources of revenue
- Be an employer of choice
- Grow/enhance a participative employee culture
- Maintain/enhance partnerships and relationships that support the Mission of Kent County government
- Develop a Sustainability mentality, to enhance environmental preservation within county facilities
- Politically advocate for stream-lined election laws that improve voting process and enhance the integrity of elections
- Protect current revenue streams and explore methods to ensure changes in statutory allowable fees cover costs
- Expand the bio-fuel development sales of agricultural products grown in Kent County via efforts with MSU researchers
- Bring research from MSU to Kent County in multiple educational program areas: nutrition and health, youth development, agriculture and natural sciences, urban and rural development

Short-Term Tactical Objectives (by Department)

- **County Administration (Administrator's Office, Board of Commissioners Office, Bureau of Equalization, Fiscal Services, Human Resources, Information Technology):** develop tactical labor strategy to address staffing, diversity, training, pay and benefits; continue and enhance all forms of collaboration with other public and private entities; develop strategy to prevent encroachment on millage capacity; develop and expand training programs to promote County culture and enhance collaboration; enhance technology to improve internal efficiencies and provide services on 24/7 basis; promote interdepartmental and intergovernmental collaboration as an efficiency-gaining and service improving measure
- **Clerk/Register of Deeds:** maintain a high-level of performance; monitor potential problems/opportunities resulting from increased federal "anti-terrorism" efforts and court mergers
- **Cooperative Extension:** leverage local resources to obtain increased matching funds; support county efforts to reduce infant mortality and improve overall health of children through nutrition education; support the development of ethanol as a gasoline additive; continue to work with local groups to promote a viable agricultural industry in Kent County
- **Drain Commission:** expand un-petitioned maintenance of county drains; reduce level of storm water management and master planning services to townships; continue digitalization of records; upgrade GIS system; assess/recommend fee increases for administration of Subdivision Control Act; continue to use interns
- **Facilities Management:** review construction and maintenance contracts to assure state-of-the-art processes and procedures; administer property management program that achieves timely and cost-effective enhancements to facilities; promote processes that enhance the communication with county departments in identifying and resolving facilities needs; and continue to develop department-wide cost and energy use reduction programs, while focusing on improving customer service
- **Prosecutor's Office:** continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency; maximize effectiveness of existing staff and reduce staff growth

- **Treasurer's Office:** monitor activities of other units or levels of government to consolidate tax collection programs; capture personal property tax collection; continue efforts to reduce cost of operations

Health and Welfare Functional Area

Health Department, Circuit Court Child Care, Department of Human Services Child Care, and Veterans' Affairs

Strategic Goals

- Create a fair and equitable fee structure for Health Department services that is consistent with surrounding counties and captures 100% of cost of services provided
- Become more outcomes-based with the outcomes firmly grounded in public health science
- Match county funds to expand Medicaid waiver program for seniors who qualify for nursing homes but desire to remain in their own homes
- Continue to maintain accreditation through the Michigan Department of Community Health and seek national accreditation through the Public Health Accreditation Board
- Advocate for changes in the DHS business model to allow for more creative service delivery

Short-Term Tactical Objectives (by Department)

- **Health Department:** restructure MIHP to make as efficient as possible and to maximize Medicaid revenue, evaluate State WIC payment structure and advocate for equitable funding; improve department's public relations efforts with both public and elected officials; increase staff diversity and hours of clinical operations; improve outcomes in infant mortality, obesity, tobacco control, land-use decisions, and chronic disease
- **Veterans' Affairs:** increase the number of qualified veterans served by the Office and increase the level of financial support obtained for veterans from the Veterans Administration
- **Circuit Court Child Care:** reduce out-of-home placement through more effective programming (in-home care, tether, etc.)
- **DHS Child Care:** reduce length of time in residential care and increase the number of licensed foster families

Judicial Functional Area

17th Circuit Court (including Administration and Adjudication Support Services, Circuit Court Services, and Friend of the Court), 63rd District Court, Office of Community Corrections, Probate Court, and the Prosecutor's Office-Family Law Division

Strategic Goals

- Continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency
- Meet the case processing time guidelines as promulgated by the Supreme Court and State Court Administrative Office
- Reduce recidivism
- Maximize collection of fines and fees (and restitution)
- Maximize the effectiveness of existing staff, reduce staff growth, and continue to provide a high level of service and programming
- Provide professional guardianship services to persons in need
- Expand use of jail-diversion strategies to make more effective use of jail space

Short-Term Tactical Objectives (by Department)

- **17th Circuit Court:** continue to increase the use of mediation in domestic relations cases; improve child support collections to equal or exceed best county in state; reduce level of arrears; continue to develop jail diversion strategies for prisoners with mental health issues

- **63rd District Court:** continue to improve case processing by providing timely case load management (due process) of all cases filed with the Court
- **Office of Community Corrections:** continue to promote the use of community-based sanctions as a sentencing option for prison and/or jail bound offenders
- **Probate Court:** explore ways to expand professional guardianship services to meet growing demand
- **Prosecutor's Office:** continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency; maximize effectiveness of existing staff and reduce staff growth

Public Safety Functional Area

Sheriff's Department

Strategic Goals

- Continue to control the cost of providing service at the jail
- Establish a base-line allocation method for road patrol
- Implement a computer-based system to allow citizens to report misdemeanors and receive written report (for insurance claims)
- Evaluate potential for more multi-township collaborative efforts to fund road patrol operations
- Increase jail capacity within next 5 years

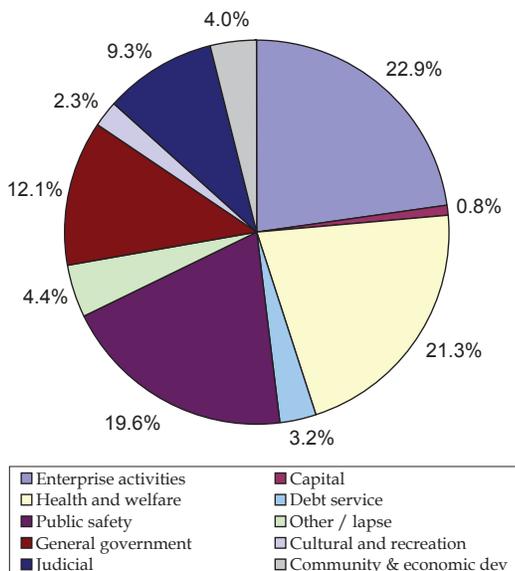
Short-Term Tactical Objectives (System-wide)

- Develop a more effective community re-entry program
- Aggressively develop strategies to better manage the cost of inmate health-care
- Develop a more effective method for obtaining information from computers during criminal investigations
- Expand the availability and utilization of alternative sentencing programs

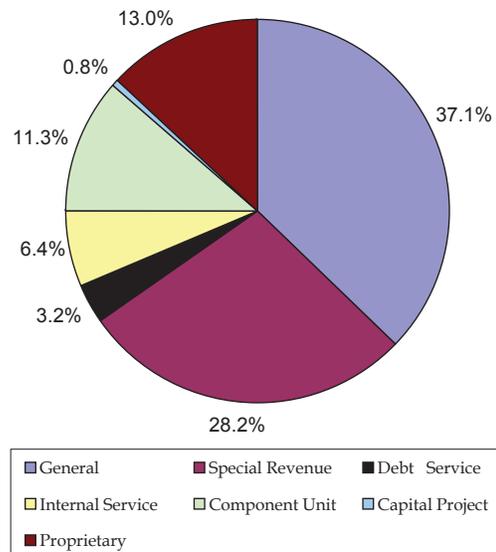
2012 All Funds Budget Summary By Fund Type

| | General | Special Revenue | Debt Service | Capital Project | Internal Service | Component Unit | Proprietary | Total |
|---------------------------------------|---------------------|---------------------|-------------------|------------------|-----------------------|-------------------|---------------------|-----------------------|
| Revenues By Category | | | | | | | | |
| Taxes | \$ 83,551,225 | \$ 27,960,349 | \$ - | \$ - | \$ - | \$ - | \$ 4,711,000 | \$116,222,574 |
| Charges for services | 18,301,322 | 7,175,152 | - | - | 1,111,000 | 31,011,538 | 25,028,876 | 82,627,888 |
| Intergovernmental | 19,556,495 | 40,162,025 | 770,006 | - | - | 3,885,813 | 4,700,000 | 69,074,339 |
| Reimbursements | 12,993,248 | 7,012,546 | - | - | 19,251,400 | - | 160,000 | 39,417,194 |
| Investment earnings | 842,100 | 125,600 | - | - | 72,700 | 538,145 | 478,700 | 2,057,245 |
| Licenses and permits | 97,860 | 1,692,718 | - | - | - | - | - | 1,790,578 |
| Fines and forfeitures | 115,160 | 699,337 | - | - | - | - | 5,000 | 819,497 |
| Other | 4,730,132 | 821,846 | 8,114,125 | - | 30,000 | 3,915,416 | 14,127,784 | 31,739,303 |
| Total Revenues | 140,187,542 | 85,649,573 | 8,884,131 | - | 20,465,100 | 39,350,912 | 49,211,360 | 343,748,618 |
| Expenditures By Function | | | | | | | | |
| Enterprise activities | - | - | - | - | - | 36,111,474 | 43,385,660 | 79,497,134 |
| Health and welfare | 8,326,317 | 65,534,213 | - | - | - | - | - | 73,860,530 |
| Public safety | 59,387,609 | 8,801,398 | - | - | - | - | - | 68,189,007 |
| General government | 39,335,092 | 1,246,844 | - | - | - | - | 1,575,700 | 42,157,636 |
| Judicial | 20,209,248 | 12,149,119 | - | - | - | - | - | 32,358,367 |
| Community & economic dev | 150,000 | 10,573,885 | - | - | - | 3,239,438 | - | 13,963,323 |
| Debt service | - | - | 11,003,186 | - | - | - | - | 11,003,186 |
| Cultural and recreation | 7,993,783 | 2,000 | - | - | - | - | - | 7,995,783 |
| Other | - | - | - | - | 22,300,229 | - | - | 22,300,229 |
| Appropriation lapse | (6,500,000) | (500,001) | - | - | - | - | - | (7,000,001) |
| Capital | - | - | - | 2,739,325 | - | - | - | 2,739,325 |
| Total Expenditures | 128,902,049 | 97,807,458 | 11,003,186 | 2,739,325 | 22,300,229 | 39,350,912 | 44,961,360 | 347,064,519 |
| Other Financing Sources (Uses) | | | | | | | | |
| Transfers in | 20,302,000 | 26,896,613 | 2,119,055 | 3,900,128 | - | - | - | 53,217,796 |
| Transfers out | (31,587,493) | (15,377,500) | - | (1,160,803) | - | - | (5,092,000) | (53,217,796) |
| Total Other Fin Sources (Uses) | (11,285,493) | 11,519,113 | 2,119,055 | 2,739,325 | - | - | (5,092,000) | - |
| Net Inc (Dec) in Fund Balances | \$ - | \$ (638,772) | \$ - | \$ - | \$ (1,835,129) | \$ - | \$ (842,000) | \$ (3,315,901) |

Expenditures By Functional Area



Expenditures By Fund Type



All Funds History of Fund Balances By Fund Type

| Government Fund Type | FY 2010 | FY 2011 | FY 2012 Adopted | | | |
|-------------------------------|----------------------|----------------------|-----------------------|-----------------------|----------------------|---------------|
| | Fund Bal | Est Fund Bal | Sources | Uses | Fund Bal | % Change |
| General Fund | \$ 68,599,600 | \$ 68,715,600 | \$ 160,489,542 | \$ 160,489,542 | \$ 68,715,600 | 0.0% |
| Fire Prevention | 150,348 | 151,048 | 362,404 | 253,304 | 260,148 | 72.2% |
| Friend of the Court | 99,931 | 99,931 | 8,783,765 | 8,783,765 | 99,931 | 0.0% |
| Health | 109,821 | 109,821 | 24,118,635 | 24,118,635 | 109,821 | 0.0% |
| Lodging Excise Tax | 396,962 | 554,162 | 6,746,598 | 6,984,756 | 316,004 | -43.0% |
| Correction and Detention | 2,321,895 | 3,761,595 | 15,760,481 | 16,151,618 | 3,370,458 | -10.4% |
| Senior Millage | 354,797 | 384,097 | 6,416,118 | 6,691,118 | 109,097 | -71.6% |
| Register of Deeds Automation | 1,508,252 | 1,592,852 | 540,000 | 539,994 | 1,592,858 | 0.0% |
| Central Dispatch Collection | 7 | 307 | 4,375,000 | 4,375,000 | 307 | 0.0% |
| Drug Law Enforcement Fund | 575,157 | 779,857 | 494,146 | 271,663 | 1,002,340 | 28.5% |
| Community Development | 139,374 | 61,974 | 2,280,853 | 2,280,853 | 61,974 | 0.0% |
| Shelter Plus Care | - | - | 1,308,276 | 1,308,276 | - | NA |
| DHS Social Welfare | 22,856 | 13,156 | 1,880,000 | 1,720,000 | 173,156 | 1216.2% |
| Child Care | 80,305 | 80,305 | 20,450,534 | 20,450,534 | 80,305 | 0.0% |
| DHS Child Care | 19,724 | 19,724 | 11,942,319 | 11,942,319 | 19,724 | 0.0% |
| Veteran's Trust | 4,948 | 4,948 | 105,000 | 105,000 | 4,948 | 0.0% |
| Special Project Calendar Year | 6,438,126 | 5,469,326 | 3,060,261 | 3,282,221 | 5,247,366 | -4.1% |
| Special Project Fiscal Year | 10,158 | 10,158 | 3,921,796 | 3,925,902 | 6,052 | -40.4% |
| State Revenue Sharing Reserve | 4,400,268 | - | - | - | - | NA |
| Special Revenue Funds | 16,632,929 | 13,093,261 | 112,546,186 | 113,184,958 | 12,454,489 | -4.9% |
| Debt Service | 11,657 | 11,657 | 2,119,055 | 2,119,055 | 11,657 | 0.0% |
| Building Auth Debt Service | 418,406 | 441,406 | 8,884,131 | 8,884,131 | 441,406 | 0.0% |
| Debt Service Fund | 430,062 | 453,062 | 11,003,186 | 11,003,186 | 453,062 | 0.0% |
| Capital Improvement Program | 5,015,477 | 4,877,453 | 3,900,128 | 3,900,128 | 4,877,453 | 0.0% |
| Bond Capital Improvement | 23,566 | 23,566 | - | - | 23,566 | 0.0% |
| Building Auth Construction | 24,703,809 | 14,491,009 | - | - | 14,491,009 | 0.0% |
| Capital Project Funds | 29,742,852 | 19,392,028 | 3,900,128 | 3,900,128 | 19,392,028 | 0.0% |
| Internal Service Fund | 7,315,577 | 7,165,877 | 20,465,100 | 22,300,229 | 5,330,748 | -25.6% |
| Public Works | 83,439,752 | 84,710,652 | 36,111,474 | 36,111,474 | 84,710,652 | 0.0% |
| Housing Commission | 713,526 | 652,726 | 3,239,438 | 3,239,438 | 652,726 | 0.0% |
| Component Unit Funds | 84,153,277 | 85,363,377 | 39,350,912 | 39,350,912 | 85,363,377 | 0.0% |
| Aeronautics | 187,592,510 | 185,424,910 | 43,385,660 | 43,385,660 | 185,424,910 | 0.0% |
| Delinquent Tax Revolving | 17,377,287 | 16,480,087 | 5,825,700 | 6,667,700 | 15,638,087 | -5.1% |
| Proprietary Funds | 204,969,797 | 201,904,997 | 49,211,360 | 50,053,360 | 201,062,997 | -0.4% |

(1) General Fund balances include reserves and designations. Unreserved/Undesignated General Fund balances are reported in Section C.

See Section C for more detail regarding all fund balances.

All Funds Budget History By Functional Area

| | FY 2010 | | FY 2011 | | FY 2012 | | |
|---------------------------------------|------------------------|---------------|------------------------|---------------|-----------------------|-----------------------|---------------|
| | Audited | Percent | Amended | Percent | Requested | Adopted | Percent |
| Revenues By Category | | | | | | | |
| Taxes | \$ 122,296,175 | 34.2% | \$ 117,913,564 | 32.2% | \$ 116,222,574 | \$ 116,222,574 | 33.8% |
| Charges for services | 89,694,639 | 25.1% | 85,609,730 | 23.4% | 82,627,888 | 82,627,888 | 24.0% |
| Intergovernmental | 63,294,167 | 17.7% | 81,629,882 | 22.3% | 70,109,020 | 69,074,339 | 20.1% |
| Reimbursements | 41,452,949 | 11.6% | 42,122,656 | 11.5% | 39,553,194 | 39,417,194 | 11.5% |
| Investment earnings | 1,122,938 | 0.3% | 2,763,625 | 0.8% | 2,057,245 | 2,057,245 | 0.6% |
| Licenses and permits | 1,790,003 | 0.5% | 1,723,853 | 0.5% | 1,790,578 | 1,790,578 | 0.5% |
| Fines and forfeitures | 640,581 | 0.2% | 912,474 | 0.2% | 819,497 | 819,497 | 0.2% |
| Other | 37,767,487 | 10.5% | 33,370,442 | 9.1% | 31,845,017 | 31,739,303 | 9.2% |
| Total Revenues | 358,058,937 | 100.0% | 366,046,226 | 100.0% | 345,025,013 | 343,748,618 | 100.0% |
| Expenditures By Function | | | | | | | |
| Enterprise activities | 77,244,727 | 20.8% | 81,103,628 | 19.8% | 79,497,134 | 79,497,134 | 22.9% |
| Health and welfare | 72,272,763 | 19.5% | 77,292,728 | 18.9% | 76,984,464 | 73,860,530 | 21.3% |
| Public safety | 72,298,598 | 19.5% | 79,033,280 | 19.3% | 69,508,586 | 68,189,007 | 19.6% |
| General government | 40,253,069 | 10.8% | 42,869,263 | 10.5% | 43,135,131 | 42,157,636 | 12.1% |
| Judicial | 31,731,215 | 8.5% | 33,580,774 | 8.2% | 32,675,895 | 32,358,367 | 9.3% |
| Community & economic dev | 15,464,286 | 4.2% | 21,133,307 | 5.2% | 13,963,323 | 13,963,323 | 4.0% |
| Debt service | 13,800,237 | 3.7% | 11,068,498 | 2.7% | 11,003,186 | 11,003,186 | 3.2% |
| Cultural and recreation | 7,581,123 | 2.0% | 7,975,805 | 2.0% | 8,372,945 | 7,995,783 | 2.3% |
| Other | 21,418,010 | 5.8% | 22,375,914 | 5.5% | 22,300,229 | 22,300,229 | 6.4% |
| Appropriation lapse | - | 0.0% | (5,849,998) | -1.4% | (7,000,001) | (7,000,001) | -2.0% |
| Operating Expenditures | 352,064,028 | 94.8% | 370,583,200 | 90.7% | 350,440,892 | 344,325,194 | 99.2% |
| Capital | 19,181,291 | 5.2% | 38,027,444 | 9.3% | 2,739,325 | 2,739,325 | 0.8% |
| Total Expenditures | 371,245,319 | 100.0% | 408,610,645 | 100.0% | 353,180,217 | 347,064,519 | 100.0% |
| Other Fin Sources (Uses) | | | | | | | |
| Transfers in | 61,670,026 | | 61,568,774 | | 55,514,379 | 53,217,796 | |
| Transfers out | (61,755,606) | | (60,253,966) | | (55,514,379) | (53,217,796) | |
| Total Other Fin Sources (Uses) | (85,580) | | 1,314,807 | | - | - | |
| Net Inc (Dec) in Fund Balances | \$ (13,271,962) | | \$ (41,249,611) | | \$ (8,155,204) | \$ (3,315,901) | |

See page B-22 for estimated fund balances for each fund type.

All Funds Budget History By Category

| | FY 2010 | | FY 2011 | | FY 2012 | | |
|---------------------------------------|------------------------|---------------|------------------------|---------------|-----------------------|-----------------------|---------------|
| | Audited | Percent | Amended | Percent | Requested | Adopted | Percent |
| Revenues By Category | | | | | | | |
| Taxes | \$122,296,175 | 34.2% | \$117,913,564 | 32.2% | \$116,222,574 | \$116,222,574 | 33.8% |
| Licenses & permits | 1,790,003 | 0.5% | 1,723,853 | 0.5% | 1,790,578 | 1,790,578 | 0.5% |
| Intergovernmental | 63,294,167 | 17.7% | 81,629,882 | 22.3% | 70,109,020 | 69,074,339 | 20.1% |
| Charges for services | 89,694,639 | 25.1% | 85,609,730 | 23.4% | 82,627,888 | 82,627,888 | 24.0% |
| Fines & forfeitures | 640,581 | 0.2% | 912,474 | 0.2% | 819,497 | 819,497 | 0.2% |
| Investment earnings | 1,122,938 | 0.3% | 2,763,625 | 0.8% | 2,057,245 | 2,057,245 | 0.6% |
| Reimbursements | 41,452,949 | 11.6% | 42,122,656 | 11.5% | 39,553,194 | 39,417,194 | 11.5% |
| Other | 37,767,487 | 10.5% | 33,370,442 | 9.1% | 31,845,017 | 31,739,303 | 9.2% |
| Total Revenues | 358,058,937 | 100.0% | 366,046,226 | 100.0% | 345,025,013 | 343,748,618 | 100.0% |
| Expenditures By Category | | | | | | | |
| Personnel | 136,938,351 | 36.9% | 143,351,468 | 35.1% | 141,037,479 | 139,271,064 | 40.1% |
| Commodities | 7,955,971 | 2.1% | 8,016,703 | 2.0% | 8,153,653 | 7,949,150 | 2.3% |
| Contractual services | 162,405,507 | 43.7% | 183,393,846 | 44.9% | 169,535,647 | 166,543,108 | 48.0% |
| Capital outlay | 796,069 | 0.2% | 6,600,843 | 1.6% | 4,200,107 | 3,047,866 | 0.9% |
| Other | 43,968,130 | 11.8% | 35,070,338 | 8.6% | 34,514,007 | 34,514,007 | 9.9% |
| Appropriation lapse | - | 0.0% | (5,849,998) | -1.4% | (7,000,001) | (7,000,001) | -2.0% |
| Operating Expenditures | 352,064,028 | 94.8% | 370,583,200 | 90.7% | 350,440,892 | 344,325,194 | 99.2% |
| Capital projects | 19,181,291 | 5.2% | 38,027,444 | 9.3% | 2,739,325 | 2,739,325 | 0.8% |
| Total Expenditures | 371,245,319 | 100.0% | 408,610,645 | 100.0% | 353,180,217 | 347,064,519 | 100.0% |
| Other Fin Sources (Uses) | | | | | | | |
| Transfers in | 61,670,026 | | 61,568,774 | | 55,514,379 | 53,217,796 | |
| Transfers out | (61,755,606) | | (60,253,966) | | (55,514,379) | (53,217,796) | |
| Total Other Fin Sources (Uses) | (85,580) | | 1,314,807 | | - | - | |
| Net Inc (Dec) in Fund Balances | \$ (13,271,962) | | \$ (41,249,611) | | \$ (8,155,204) | \$ (3,315,901) | |

All Funds Personnel History By Functional Area

| Department | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|----------------|----------------|----------------|----------------|----------------|
| Policy/Administration | 33.0 | 32.5 | 31.4 | 31.4 | 31.4 |
| Bureau of Equalization | 24.0 | 20.0 | 17.1 | 16.6 | 15.1 |
| County Clerk | 52.0 | 50.0 | 48.0 | 46.5 | 44.0 |
| Kent/MSU Cooperative Extension | 7.0 | 5.5 | 4.5 | 4.0 | 2.5 |
| Drain Commissioner | 6.5 | 6.5 | 6.5 | 6.2 | 6.2 |
| Facilities Management | 45.0 | 47.5 | 36.5 | 20.5 | 20.7 |
| Fiscal Services | 38.0 | 38.0 | 34.0 | 33.5 | 33.0 |
| Human Resources | 21.0 | 20.0 | 16.1 | 15.8 | 15.6 |
| Information Technology | 43.0 | 42.0 | 37.0 | 36.0 | 36.0 |
| Prosecutor's - Criminal/Juvenile | 65.0 | 64.0 | 61.0 | 56.5 | 56.5 |
| Treasurer's Office | 16.0 | 15.0 | 13.0 | 12.0 | 12.0 |
| General government | 350.5 | 341.0 | 305.1 | 279.0 | 273.0 |
| Sheriff | 584.0 | 570.0 | 545.6 | 548.9 | 540.0 |
| Public safety | 584.0 | 570.0 | 545.6 | 548.9 | 540.0 |
| 17th Circuit Court | 241.0 | 240.0 | 233.2 | 228.2 | 225.2 |
| 63rd District Court | 37.0 | 37.0 | 34.5 | 34.5 | 32.5 |
| Community Corrections | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Probate Court | 15.0 | 15.0 | 15.0 | 14.5 | 14.5 |
| Prosecutor's - Cooperative Reimb | 19.0 | 19.0 | 19.0 | 19.0 | 19.0 |
| Judicial | 314.5 | 313.5 | 304.2 | 298.7 | 293.7 |
| Community Development | 6.0 | 6.0 | 8.0 | 8.0 | 8.0 |
| Housing Commission | 3.0 | 3.0 | 3.0 | 3.0 | 3.5 |
| Lodging Excise Tax | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Community & economic developmt | 11.0 | 11.0 | 13.0 | 13.0 | 13.5 |
| John Ball Zoological Gardens | 47.0 | 49.0 | 44.0 | 43.8 | 45.2 |
| Parks | 66.5 | 65.0 | 55.8 | 59.2 | 57.3 |
| Cultural and recreation | 113.5 | 114.0 | 99.8 | 103.0 | 102.5 |
| Child Care | 132.0 | 137.0 | 135.9 | 134.6 | 134.3 |
| Health Department | 255.0 | 248.5 | 241.1 | 242.1 | 238.9 |
| Medical Examiner | 7.0 | 7.5 | 7.5 | 7.5 | 6.7 |
| Veterans' Affairs Department | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Health and welfare | 395.0 | 394.0 | 385.5 | 385.2 | 380.9 |
| Aeronautics | 124.0 | 124.0 | 123.6 | 124.6 | 105.7 |
| Public Works | 71.5 | 70.5 | 61.8 | 66.4 | 64.0 |
| Enterprise activities | 195.5 | 194.5 | 185.4 | 191.0 | 169.7 |
| Risk Management | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Other | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Total FTE | 1,966.0 | 1,940.0 | 1,840.6 | 1,820.8 | 1,775.3 |



Introduction to Fund Summaries

This section of the document presents the Kent County Budget according to fund. Due to the nature of their operations and the many restrictions attached to the use of public monies, state and local governments employ a system of accounting known as fund accounting. A fund is a separate set of accounts used to account for resources available for a specific purpose, e.g. general fund, public health, child care, or lodging excise tax.

Funds are classified by seven fund types: General Fund, Special Revenue Funds, Debt Service Funds, Capital Funds, Internal Service Funds, Component Unit Funds, and Proprietary Funds, depending on the restrictions and uses associated with the resources. The fund summaries in this section reflect the fund types as defined by Generally Accepted Accounting Principles (GAAP). Pages C-3 through C-4 provide a brief description of each fund and categorizes the funds by fund type. A financial summary of each fund, as well as a consolidated summary by fund type, follows.

Pages C-5 through C-12 provide a detailed summary of the County's General Fund. The General Fund is used to account for all revenues and expenditures applicable to the general operations of the County except those required or determined to be more appropriately accounted for in another fund. Revenues are generated primarily from property taxes and intergovernmental sources. Special Revenue Funds are presented on pages C-13 through C-32, followed by Debt Service Funds (pages C-33 through C-35), Capital Funds (pages C-36 through C-39), Internal Service Fund (pages C-40 and C-41), Component Unit Funds (pages C-42 through C-44), and Proprietary Funds (pages C-45 through C-47).

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Description of Funds

General Fund: The County's major operating fund used to account for resources traditionally associated with the government which are not required to be accounted for in another fund.

Special Revenue Funds: A fund to account for the expenditures and revenues of the various activities financed primarily by restricted grants, funded by the state and federal government. Project lengths vary from one year to annually renewable.

Fire Prevention Fund - to account for the acquisition of fire trucks for participating local units of government. Financing is provided by participating units and General Fund appropriations.

Friend of the Court - to account for revenues and expenditures of the Friend of the Court office required in the 1982 Public Acts 294, 295, 296, 297, and 298.

Health Fund - to account for special revenue set aside for the purpose of providing health protection for the citizens of Kent County. Revenues are provided through state and federal grants and General Fund appropriations.

Lodging Excise Tax Fund - to account for expenditures incurred in promoting Kent County and maintaining, acquiring or constructing its public convention and entertainment facilities. Revenues are provided by the excise tax on transient room rentals.

Correction & Detention Facilities Fund - to account for the proceeds of a dedicated millage levied to pay for operations and debt service related to the expansion of the correction and detention facilities.

Senior Millage Fund - to account for the proceeds of a dedicated millage levied to plan, coordinate, evaluate and provide services to persons 60 years of age or older.

Register of Deeds Automation Fund - to account for funds set aside under provisions of Public Acts 698 of 2002 (MCL 600.2568) for upgrading technology in the Register of Deeds' office.

Drug Law Enforcement Fund - to account for the receipt and expenditures of monies generated through application of various drug forfeiture laws.

Dispatch Collection Fund - to account for a County-based 911 surcharge on users of communication

devices with billable addresses in Kent County pursuant to Public Act 164 of 2007.

Community Development Fund - to account for the improvement, rehabilitation and preservation of public facilities in target areas as well as the issuance and repayment of rehabilitation loans. Financing is provided by Community Development Block Grants and program income.

Child Care Funds - to account for the care of neglected, abused and delinquent juveniles. Revenues are provided through state reimbursements and General Fund appropriations.

Revenue Sharing Reserve Fund - created in accordance with Public Act 357 of 2004 to serve as a substitute for State revenue sharing payments to counties. Revenues are to be provided by a set-aside of certain local general property taxes levied in 2004 through 2006 inclusive.

Shelter Plus Care - to account for subsidized sponsor-based and tenant-based long-term rental assistance payments for eligible homeless persons with disabilities.

Social Welfare - to account for the administration of various human service programs. State statute requires that the County Treasurer serve as the custodian of all funds provided for the use of the Department of Human Services (DHS). In this case, the County simply serves as a pass-through with respect to state and federal funds for DHS operations, maintaining the funds and records as required by the State. The County also appropriates, at its discretion, funding to maintain and administer various welfare services within the County, including hospitalization, community-based organization funding and client support programs.

Veterans' Trust Fund - to account for state grants received for the purpose of financially assisting qualified veterans.

Special Projects - Calendar Year-End (12/31) Fund - to account for the expenditures and revenues of the various activities financed primarily by restricted grants, funded by the state and federal government. Project lengths vary from one year to annually renewable.

Special Projects - Fiscal Year-End (9/30) Fund - to account for the expenditures and revenues of the various activities financed primarily by restricted grants, funded by the state and federal government. Project lengths vary from one year to annually renewable.

Debt Service Funds: Funds used to finance and account for the payment of interest and principal on all general long-term debt.

Building Authority Debt Service Fund - to account for the retirement of debt related to projects of the Kent County Building Authority which currently includes the correctional facility, sheriff's administration building, courthouse, senior citizens building, and financing for the correctional facility debt service.

Debt Service Fund - to account for the retirement of debt related to projects of the 2004 Capital Improvement Bonds, which includes various building and land acquisitions within Kent County.

Capital Projects Funds: These funds were established to account for construction projects and general public improvements. Financing is provided by bond proceeds, interest income, and transfers from other funds.

Building Authority Construction Fund - to account for construction projects of the Building Authority. Financing has been provided by bonds, a dedicated millage and the General Fund.

Bond Capital Improvement Fund - to account for construction projects funded by bonds which currently includes various building and land acquisitions within Kent County.

Capital Improvement Fund - to account for revenue set aside for general public improvements, excluding Aeronautics and Public Works Department projects.

Internal Service Fund: A fund used to account for the financing of goods and services provided by one department or agency to other departments or agencies for a government, or to other governments, on a cost-reimbursement basis.

Risk Management and Benefits Fund - to account for claims related to public liability, workers' compensation, dental benefits and other County insurance programs. The County is self-insured and finances its insurance payments by billing other funds for their respective share.

Component Unit Funds: A legally separate governmental unit for whom Kent County remains financially accountable or the nature of the relationship is such that exclusion from the budget would render the document misleading or incomplete.

Public Works - to account for the operation and maintenance of the Kent County Public Works. Financing is provided primarily by charges for services.

Housing Commission - to account for the development of viable urban and rural communities by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low and moderate income. Funding is provided by the federal government, the state, and the Community Development Block Grant (CDBG).

Proprietary Funds: Sometimes referred to as income determination or commercial-type funds, the classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds). All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The GAAP used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of net income, financial position and changes in financial position. However, where the GASB has issued pronouncements applicable to those entities and activities, they should be guided by these pronouncements.

Aeronautics Fund - to account for the operation and maintenance of the Gerald R. Ford International Airport. Financing is provided primarily by user charges.

Delinquent Tax Revolving Fund - to account for money advanced by the County to other local taxing units and various county funds to pay for their delinquent taxes. Revenues are generated by the collection of the delinquent taxes.

General Fund

Schedule of Uses of Financial Resources

| Program Descriptions | FY 2010 | | FY 2011 | | FY 2012 | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| | Audited | Adopted | Amended | Requested | Adopted | Amended % Change |
| Enforcement | \$ 15,237,909 | \$ 15,779,581 | \$ 15,779,581 | \$ 15,790,288 | \$ 15,260,010 | -3.3% |
| Enforcement - COPS | 160,251 | 235,537 | 235,537 | 244,794 | 244,794 | 3.9% |
| Enforcement - Security Enf Officers | 20,127 | 19,730 | 19,730 | 21,361 | 21,361 | 8.3% |
| Enforcement - 63rd District Court Security | 89,876 | - | - | - | - | NA |
| Enforcement - 82 Ionia Security | 299,213 | - | - | - | - | NA |
| Enforcement - Courthouse Security | 1,248,978 | - | - | - | - | NA |
| Administration | 598,602 | 729,235 | 729,235 | 809,871 | 809,871 | 11.1% |
| Park Security | 79,181 | 99,681 | 99,681 | - | - | -100.0% |
| Law Enforcement Computer Net | 142,847 | 161,935 | 161,935 | 170,556 | 170,556 | 5.3% |
| Marine Safety | 170,969 | 220,542 | 220,542 | 222,608 | 222,608 | 0.9% |
| Lake Bella Vista | 16 | 11,087 | 11,087 | 9,770 | 9,770 | -11.9% |
| Township Law Enforcement | 2,334,126 | 2,489,538 | 2,489,538 | 2,432,639 | 2,432,639 | -2.3% |
| Township Law Enforcement - East Precinct | 1,574,406 | 1,289,428 | 1,289,428 | 1,287,560 | 1,287,560 | -0.1% |
| Dispatch Services | 2,668,218 | 3,846,272 | 3,846,272 | 3,594,453 | 3,594,453 | -6.5% |
| Correctional Facility | 34,781,231 | 35,923,154 | 35,936,867 | 35,643,588 | 35,174,287 | -2.1% |
| Emergency Management | 226,315 | 230,070 | 230,070 | 159,700 | 159,700 | -30.6% |
| Sheriff | 59,632,264 | 61,035,790 | 61,049,503 | 60,387,188 | 59,387,609 | -2.7% |
| | | | | | | |
| Circuit Court | 13,982,555 | 14,502,001 | 14,502,001 | 14,024,154 | 13,818,432 | -4.7% |
| Circuit Court Services | 1,514,489 | 1,552,650 | 1,552,650 | 1,563,769 | 1,563,769 | 0.7% |
| Law Library | 21,400 | 21,400 | 21,400 | 21,400 | 21,400 | 0.0% |
| Jury Commission | 4 | 2,074 | 2,074 | 500 | 500 | -75.9% |
| Family Division Referees | 596,015 | 595,655 | 595,655 | 641,600 | 641,600 | 7.7% |
| Circuit Court | 16,114,462 | 16,673,780 | 16,673,780 | 16,251,423 | 16,045,701 | -3.8% |
| | | | | | | |
| 63rd District Court | 135,419 | 206,338 | 206,338 | 150,910 | 150,910 | -26.9% |
| Administration | 321,763 | 345,553 | 345,553 | 339,604 | 339,604 | -1.7% |
| Cooperative Extension | 35,520 | 36,281 | 36,281 | 34,460 | 34,460 | -5.0% |
| 82 Ionia | 648,267 | 1,005,274 | 1,005,274 | 916,578 | 896,578 | -10.8% |
| Admin Building | 578,959 | 645,810 | 645,810 | 569,000 | 569,000 | -11.9% |
| Courthouse | 6,613,750 | 8,016,772 | 8,016,772 | 7,958,998 | 7,958,998 | -0.7% |
| Information Technology Building | 147,758 | 136,060 | 136,060 | 129,000 | 129,000 | -5.2% |
| Northwest Center | 13,878 | 16,832 | 16,832 | 15,054 | 15,054 | -10.6% |
| Human Services Complex | 1,057,188 | 1,211,397 | 1,211,397 | 2,925,182 | 2,925,182 | 141.5% |
| Boiler Plant Operations | 1,307,356 | 1,309,400 | 1,309,400 | 1,346,546 | 1,346,546 | 2.8% |
| Facilities Management | 10,859,858 | 12,929,717 | 12,929,717 | 14,385,332 | 14,365,332 | 11.1% |
| | | | | | | |
| Administration | 608,432 | 666,474 | 666,474 | 657,328 | 643,228 | -3.5% |
| JNET | 238,843 | 223,097 | 223,097 | 366,749 | 366,749 | 64.4% |
| GIS | 373,569 | 391,565 | 391,565 | 321,483 | 311,483 | -20.5% |
| Help Desk | 789,019 | 876,735 | 876,735 | 850,481 | 850,481 | -3.0% |
| FHRS | 412,541 | 450,496 | 450,496 | 346,909 | 346,909 | -23.0% |
| Specialty Applications | 269,805 | 249,746 | 249,746 | 276,099 | 276,099 | 10.6% |
| Networks | 621,350 | 687,907 | 687,907 | 743,772 | 705,772 | 2.6% |
| Servers | 1,341,587 | 1,419,687 | 1,419,687 | 1,540,252 | 1,368,895 | -3.6% |
| Courthouse Technology | 61,844 | 63,392 | 63,392 | 63,170 | 63,170 | -0.4% |
| Information Technology | 4,716,989 | 5,029,099 | 5,029,099 | 5,166,243 | 4,932,786 | -1.9% |

Continued on following page

Fund Summaries

Continued from previous page

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | Amended % Change |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------|
| | Audited | Adopted | Amended | Requested | Adopted | |
| Criminal/Juvenile Prosecutor | 6,004,576 6,004,576 | 5,941,065 5,941,065 | 5,941,065 5,941,065 | 5,921,240 5,921,240 | 5,921,240 5,921,240 | -0.3% -0.3% |
| John Ball Zoological Gardens | 366,817 | 355,010 | 371,435 | 366,994 | 344,603 | -7.2% |
| John Ball Zoo - Animal Programs | 1,611,824 | 1,777,772 | 1,777,772 | 1,778,616 | 1,768,116 | -0.5% |
| John Ball Zoo - Education Programs | 367,445 | 388,787 | 388,787 | 398,078 | 390,712 | 0.5% |
| John Ball Zoo - Facilities | 1,308,662 | 1,389,384 | 1,387,959 | 1,495,749 | 1,484,267 | 6.9% |
| John Ball Zoo - Park | 154,712 | 142,647 | 142,647 | 179,862 | 145,862 | 2.3% |
| Zoo | 3,809,461 | 4,053,600 | 4,068,600 | 4,219,299 | 4,133,560 | 1.6% |
| Long Lake Region | 118,734 | 142,884 | 142,884 | 191,964 | 135,180 | -5.4% |
| Townsend Region | 208,429 | 170,360 | 170,360 | 182,140 | 149,690 | -12.1% |
| Caledonia Region | 226,848 | 212,234 | 212,234 | 269,787 | 201,787 | -4.9% |
| Johnson | 199,879 | 151,579 | 151,579 | 150,286 | 145,286 | -4.2% |
| Fallasburg Region | 211,223 | 224,372 | 224,372 | 220,559 | 220,559 | -1.7% |
| Wabasis Lake Park | 186,176 | 227,206 | 227,206 | 247,598 | 247,598 | 9.0% |
| Palmer | 133,329 | 143,874 | 143,874 | 126,242 | 126,242 | -12.3% |
| Douglas Walker Region | 210,272 | 236,512 | 236,512 | 241,327 | 232,327 | -1.8% |
| Dwight Lydell Region | 138,039 | 150,934 | 150,934 | 176,198 | 149,198 | -1.2% |
| Kent Trails | 13,806 | 16,700 | 16,700 | 11,725 | 11,725 | -29.8% |
| Millennium | 284,391 | 356,494 | 356,494 | 465,408 | 464,281 | 30.2% |
| LE Kaufman Golf Course | 438,392 | 485,204 | 485,204 | 501,292 | 458,286 | -5.5% |
| LE Kaufman Clubhouse | 168,750 | 205,592 | 205,592 | 198,396 | 198,396 | -3.5% |
| Wabasis Lake Campground | 206,008 | 142,037 | 142,037 | 153,953 | 153,953 | 8.4% |
| Administration | 950,931 | 998,037 | 998,037 | 1,014,771 | 965,715 | -3.2% |
| Parks | 3,695,206 | 3,864,019 | 3,864,019 | 4,151,646 | 3,860,223 | -0.1% |
| 63rd District Court | 2,061,968 | 2,201,720 | 2,201,720 | 2,383,372 | 2,337,762 | 6.2% |
| District Court - Probation | 477,283 | 495,186 | 495,186 | 495,709 | 442,771 | -10.6% |
| District Court | 2,539,251 | 2,696,906 | 2,696,906 | 2,879,081 | 2,780,533 | 3.1% |
| Administrator's Office | 1,154,010 | 1,203,310 | 1,203,310 | 1,228,573 | 1,224,223 | 1.7% |
| Board of Commissioners | 854,730 | 854,044 | 854,044 | 881,052 | 846,052 | -0.9% |
| Corporate Counsel | 14,649 | 45,000 | 45,000 | 45,000 | 45,000 | 0.0% |
| Energy Use Reduction Program | 4,581 | 2,800 | 2,800 | 51,150 | 51,150 | 1726.8% |
| Economic Development | 85,000 | 85,000 | 85,000 | 85,000 | 85,000 | 0.0% |
| Management Studies | 68,103 | 50,000 | 50,000 | 30,000 | 30,000 | -40.0% |
| Prevention Program | 1,760,550 | 1,690,107 | 1,690,107 | 1,661,490 | 1,507,266 | -10.8% |
| Area Agency on Aging | 14,546 | 14,546 | 14,546 | 14,546 | 14,546 | 0.0% |
| ACSET | 65,000 | - | - | 65,000 | 65,000 | NA |
| Legal Assistance Center | 50,000 | 47,500 | 47,500 | 45,000 | 45,000 | -5.3% |
| Policy/Administration | 4,071,169 | 3,992,307 | 3,992,307 | 4,106,811 | 3,913,237 | -2.0% |
| Bureau of Equalization | 1,486,887 | 1,504,260 | 1,504,260 | 1,486,911 | 1,406,219 | -6.5% |
| Bureau of Equalization | 1,486,887 | 1,504,260 | 1,504,260 | 1,486,911 | 1,406,219 | -6.5% |
| Elections | 409,071 | 300,330 | 300,330 | 473,640 | 473,640 | 57.7% |
| Vital Records | 847,409 | 885,435 | 885,435 | 847,488 | 797,928 | -9.9% |
| Circuit Court Clerk | 1,443,380 | 1,527,333 | 1,527,333 | 1,532,661 | 1,487,051 | -2.6% |
| Register of Deeds | 608,487 | 548,803 | 548,803 | 530,721 | 530,721 | -3.3% |
| Clerk/Register of Deeds | 3,308,347 | 3,261,901 | 3,261,901 | 3,384,510 | 3,289,340 | 0.8% |

Continued on following page

Continued from previous page

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | Amended % Change |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|
| | Audited | Adopted | Amended | Requested | Adopted | |
| Drain Commission | 544,411 | 570,401 | 570,401 | 570,401 | 570,401 | 0.0% |
| Drains County At Large | 12,804 | 15,000 | 15,000 | 15,000 | 15,000 | 0.0% |
| Drain Commission | 557,215 | 585,401 | 585,401 | 585,401 | 585,401 | 0.0% |
| Fiscal Services | 1,587,771 | 1,706,245 | 1,706,245 | 1,696,566 | 1,678,271 | -1.6% |
| Audit | 73,300 | 76,400 | 76,400 | 87,200 | 87,200 | 14.1% |
| Purchasing | 426,435 | 448,078 | 448,078 | 428,762 | 428,762 | -4.3% |
| Central Services | 728,389 | 770,207 | 770,207 | 717,376 | 717,376 | -6.9% |
| Fleet Services | 386,011 | 428,596 | 428,596 | 421,789 | 421,789 | -1.6% |
| Fiscal Services | 3,201,906 | 3,429,526 | 3,429,526 | 3,351,693 | 3,333,398 | -2.8% |
| Human Resources | 1,652,372 | 1,768,194 | 1,768,194 | 1,753,011 | 1,753,011 | -0.9% |
| Human Resources | 1,652,372 | 1,768,194 | 1,768,194 | 1,753,011 | 1,753,011 | -0.9% |
| Treasurer's Office | 1,213,738 | 1,022,662 | 1,022,662 | 1,071,940 | 1,071,940 | 4.8% |
| Treasurer's Office | 1,213,738 | 1,022,662 | 1,022,662 | 1,071,940 | 1,071,940 | 4.8% |
| Probate Court - Mental & Estate Division | 1,235,900 | 1,288,382 | 1,288,382 | 1,301,640 | 1,288,382 | 0.0% |
| Probation | 40,265 | 49,632 | 49,632 | 49,632 | 49,632 | 0.0% |
| Intergovernmental | 4,508,986 | 4,441,240 | 4,441,240 | 4,762,429 | 4,762,429 | 7.2% |
| Cooperative Extension Service | 520,549 | 559,231 | 559,231 | 564,817 | 480,000 | -14.2% |
| Medical Examiner | 987,399 | 1,238,554 | 1,238,554 | 1,296,967 | 1,165,130 | -5.9% |
| DHS - Social Welfare | 669,240 | 690,763 | 690,763 | 649,490 | 614,813 | -11.0% |
| Veterans' Affairs Department | 176,362 | 169,509 | 169,509 | 262,133 | 262,133 | 54.6% |
| Other | 8,138,702 | 8,437,311 | 8,437,311 | 8,887,108 | 8,622,519 | 2.2% |
| Operating Expenses before Transfers | 131,002,402 | 136,225,538 | 136,254,251 | 137,988,837 | 135,402,049 | -0.6% |
| Transfers Out - Lodging Excise Tax | 1,474,356 | 2,094,500 | 2,094,500 | 1,000,000 | 841,348 | -59.8% |
| Transfers Out - Debt Service Fund | 961,050 | 963,263 | 963,263 | 958,252 | 958,252 | -0.5% |
| Transfers Out - Fire Commission | 172,247 | 165,627 | 165,627 | 225,652 | 126,652 | -23.5% |
| Transfers Out - FOC | 2,192,849 | 2,066,668 | 2,066,668 | 1,989,837 | 1,989,837 | -3.7% |
| Transfers Out - Health | 5,545,480 | 7,029,696 | 7,029,696 | 7,356,950 | 6,656,868 | -5.3% |
| Transfers Out - Special Projects | 973,225 | 981,142 | 981,142 | 1,060,493 | 860,493 | -12.3% |
| Transfers Out - Child Care | 9,933,105 | 10,724,798 | 10,724,798 | 10,543,112 | 10,292,915 | -4.0% |
| Transfers Out - DHS Child Care | 4,937,650 | 6,954,734 | 6,954,734 | 6,888,652 | 6,000,000 | -13.7% |
| Operating Transfers Out | 26,189,963 | 30,980,428 | 30,980,428 | 30,022,948 | 27,726,365 | -10.5% |
| Total Operating Expenses | 157,192,364 | 167,205,966 | 167,234,679 | 168,011,785 | 163,128,414 | -2.5% |
| Transfers Out - CIP | 200,000 | 2,986,976 | 2,986,976 | 3,861,128 | 3,861,128 | 29.3% |
| Capital | 200,000 | 2,986,976 | 2,986,976 | 3,861,128 | 3,861,128 | 29.3% |
| Total Uses before Appropriation Lapse | 157,392,364 | 170,192,942 | 170,221,655 | 171,872,913 | 166,989,542 | -1.9% |
| Estimated Appropriation Lapse | - | (5,000,000) | (5,000,000) | (6,500,000) | (6,500,000) | 30.0% |
| Total General Fund | \$ 157,392,364 | \$ 165,192,942 | \$ 165,221,655 | \$ 165,372,913 | \$ 160,489,542 | -2.9% |

General Fund Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Taxes | \$ 86,601,152 | \$ 84,499,582 | \$ 85,924,850 | \$ 84,000,000 | \$ 83,551,225 |
| Licenses and permits | 129,450 | 102,132 | 110,800 | 97,000 | 97,860 |
| Intergovernmental | 8,956,496 | 9,033,733 | 16,690,748 | 16,036,000 | 19,556,495 |
| Charges for services | 17,228,038 | 17,142,184 | 18,388,919 | 17,390,000 | 18,301,322 |
| Fines & Forfeitures | 176,319 | 108,154 | 166,500 | 95,000 | 115,160 |
| Investment earnings | 1,966,576 | 62,905 | 887,500 | 206,000 | 842,100 |
| Reimbursements | 12,346,696 | 12,758,539 | 14,111,281 | 13,775,000 | 12,993,248 |
| Other | 4,171,137 | 3,178,726 | 4,663,858 | 3,318,000 | 4,730,132 |
| Total Revenues | 131,575,864 | 126,885,955 | 140,944,456 | 134,917,000 | 140,187,542 |
| Expenditures: | | | | | |
| Sheriff | 57,776,032 | 59,632,264 | 61,049,503 | 56,989,000 | 59,387,609 |
| Circuit Court | 16,552,657 | 16,114,462 | 16,673,780 | 15,598,000 | 16,045,701 |
| Facilities Management | 12,860,282 | 10,859,858 | 12,929,717 | 11,473,000 | 14,365,332 |
| Information Technology | 5,794,512 | 4,716,989 | 5,029,099 | 4,900,000 | 4,932,786 |
| Prosecutor | 6,044,572 | 6,004,576 | 5,941,065 | 5,820,000 | 5,921,240 |
| Zoo | 4,122,373 | 3,809,461 | 4,068,600 | 3,772,000 | 4,133,560 |
| Parks | 4,302,352 | 3,695,206 | 3,864,019 | 3,723,000 | 3,860,223 |
| District Court | 2,854,216 | 2,539,251 | 2,696,906 | 2,645,000 | 2,780,533 |
| Policy/ Administration | 4,608,901 | 4,071,169 | 3,992,307 | 3,745,000 | 3,913,237 |
| Bureau of Equalization | 1,594,384 | 1,486,887 | 1,504,260 | 1,419,000 | 1,406,219 |
| Clerk / Register of Deeds | 3,213,416 | 3,308,347 | 3,261,901 | 3,100,000 | 3,289,340 |
| Drain Commission | 566,021 | 557,215 | 585,401 | 570,000 | 585,401 |
| Fiscal Services | 3,632,525 | 3,201,906 | 3,429,526 | 3,299,000 | 3,333,398 |
| Human Resources | 1,918,909 | 1,652,372 | 1,768,194 | 1,697,000 | 1,753,011 |
| Treasurer's Office | 1,139,926 | 1,213,738 | 1,022,662 | 1,022,000 | 1,071,940 |
| Other | 8,678,208 | 8,138,702 | 8,437,311 | 8,437,000 | 8,622,519 |
| Appropriation lapse | - | - | (5,000,000) | - | (6,500,000) |
| Total Expenditures | 135,659,286 | 131,002,402 | 131,254,251 | 128,209,000 | 128,902,049 |
| Excess (deficiency) of revenues over (under) expenditures | (4,083,422) | (4,116,447) | 9,690,205 | 6,708,000 | 11,285,493 |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 35,241,105 | 30,605,290 | 24,250,000 | 22,895,000 | 20,302,000 |
| Transfers out _Operating | (30,363,243) | (26,189,963) | (30,980,428) | (26,500,000) | (27,726,365) |
| Transfers out _Capital | - | (200,000) | (2,986,976) | (2,987,000) | (3,861,128) |
| Total Other Financing Sources (Uses) | 4,877,863 | 4,215,327 | (9,717,404) | (6,592,000) | (11,285,493) |
| Net Inc (Dec) in Fund Balance | 794,440 | 98,880 | (27,199) | 116,000 | - |
| Fund Balance, beginning of year | 67,706,280 | 68,500,720 | 68,599,600 | 68,599,600 | 68,715,600 |
| Fund Balance, end of year | \$ 68,500,720 | \$ 68,599,600 | \$ 68,572,401 | \$ 68,715,600 | \$ 68,715,600 |

General Fund Summary by Functional Area

| | FY 2010 | | FY 2011 | | FY 2012 | | |
|--|--------------------|---------------|--------------------|---------------|-----------------------|---------------------|---------------|
| | Audited | Percent | Amended | Percent | Requested | Adopted | Percent |
| Revenues By Category | | | | | | | |
| Taxes | \$ 84,499,582 | 66.6% | \$ 85,924,850 | 61.0% | \$ 83,551,225 | \$ 83,551,225 | 59.6% |
| Charges for services | 17,142,184 | 13.5% | 18,388,919 | 13.0% | 18,301,322 | 18,301,322 | 13.1% |
| Reimbursements | 12,758,539 | 10.1% | 14,111,281 | 10.0% | 12,993,248 | 12,993,248 | 9.3% |
| Intergovernmental | 9,033,733 | 7.1% | 16,690,748 | 11.8% | 19,556,495 | 19,556,495 | 14.0% |
| Investment earnings | 62,905 | 0.0% | 887,500 | 0.6% | 842,100 | 842,100 | 0.6% |
| Fines & forfeitures | 108,154 | 0.1% | 166,500 | 0.1% | 115,160 | 115,160 | 0.1% |
| Licenses & permits | 102,132 | 0.1% | 110,800 | 0.1% | 97,860 | 97,860 | 0.1% |
| Other | 3,178,726 | 2.5% | 4,663,858 | 3.3% | 4,730,132 | 4,730,132 | 3.4% |
| Total Revenues | 126,885,955 | 100.0% | 140,944,456 | 100.0% | 140,187,542 | 140,187,542 | 100.0% |
| Expenditures By Function | | | | | | | |
| Public safety | 59,632,264 | 45.5% | 61,049,503 | 46.5% | 60,387,188 | 59,387,609 | 46.1% |
| General government | 35,618,510 | 27.2% | 38,186,210 | 29.1% | 39,906,873 | 39,335,092 | 30.5% |
| Judicial | 19,979,878 | 15.3% | 20,756,200 | 15.8% | 20,526,776 | 20,209,248 | 15.7% |
| Health and welfare | 8,117,083 | 6.2% | 8,244,719 | 6.3% | 8,647,055 | 8,326,317 | 6.5% |
| Cultural and recreation | 7,504,667 | 5.7% | 7,932,619 | 6.0% | 8,370,945 | 7,993,783 | 6.2% |
| Community & economic dev | 150,000 | 0.1% | 85,000 | 0.1% | 150,000 | 150,000 | 0.1% |
| Appropriation lapse | - | 0.0% | (5,000,000) | -3.8% | (6,500,000) | (6,500,000) | -5.0% |
| Total Expenditures | 131,002,402 | 100.0% | 131,254,251 | 100.0% | 131,488,837 | 128,902,049 | 100.0% |
| Excess (deficiency) of revenues over (under) expenditures | (4,116,447) | | 9,690,205 | | 8,698,705 | 11,285,493 | |
| Other Fin Sources (Uses) | | | | | | | |
| Transfers in | 30,605,290 | | 24,250,000 | | 20,302,000 | 20,302,000 | |
| Transfers out | (26,389,963) | | (33,967,404) | | (33,884,076) | (31,587,493) | |
| Total Other Fin Sources (Uses) | 4,215,327 | | (9,717,404) | | (13,582,076) | (11,285,493) | |
| Net Inc (Dec) in Fund Balance | \$ 98,880 | | \$ (27,199) | | \$ (4,883,371) | \$ - | |

General Fund Summary by Category

| | FY 2010 | | FY 2011 | | FY 2012 | | |
|--|--------------------|---------------|--------------------|---------------|-----------------------|---------------------|---------------|
| | Audited | Percent | Amended | Percent | Requested | Adopted | Percent |
| Revenues By Category | | | | | | | |
| Taxes | \$ 84,499,582 | 66.6% | \$ 85,924,850 | 61.0% | \$ 83,551,225 | \$ 83,551,225 | 59.6% |
| Licenses & permits | 102,132 | 0.1% | 110,800 | 0.1% | 97,860 | 97,860 | 0.1% |
| Intergovernmental | 9,033,733 | 7.1% | 16,690,748 | 11.8% | 19,556,495 | 19,556,495 | 14.0% |
| Charges for services | 17,142,184 | 13.5% | 18,388,919 | 13.0% | 18,301,322 | 18,301,322 | 13.1% |
| Fines & forfeitures | 108,154 | 0.1% | 166,500 | 0.1% | 115,160 | 115,160 | 0.1% |
| Investment earnings | 62,905 | 0.0% | 887,500 | 0.6% | 842,100 | 842,100 | 0.6% |
| Reimbursements | 12,758,539 | 10.1% | 14,111,281 | 10.0% | 12,993,248 | 12,993,248 | 9.3% |
| Other | 3,178,726 | 2.5% | 4,663,858 | 3.3% | 4,730,132 | 4,730,132 | 3.4% |
| Total Revenues | 126,885,955 | 100.0% | 140,944,456 | 100.0% | 140,187,542 | 140,187,542 | 100.0% |
| Expenditures By Category | | | | | | | |
| Personnel | 85,635,272 | 65.4% | 87,074,423 | 66.3% | 86,002,811 | 84,944,240 | 65.9% |
| Commodities | 2,688,634 | 2.1% | 2,952,797 | 2.2% | 3,100,734 | 2,985,012 | 2.3% |
| Contractual services | 41,404,749 | 31.6% | 44,945,440 | 34.2% | 47,389,008 | 46,399,540 | 36.0% |
| Capital outlay | 1,164,743 | 0.9% | 1,249,035 | 1.0% | 1,470,207 | 1,047,180 | 0.8% |
| Other | 109,005 | 0.1% | 32,556 | 0.0% | 26,077 | 26,077 | 0.0% |
| Appropriation lapse | - | 0.0% | (5,000,000) | -3.8% | (6,500,000) | (6,500,000) | -5.0% |
| Total Expenditures | 131,002,402 | 100.0% | 131,254,251 | 100.0% | 131,488,837 | 128,902,049 | 100.0% |
| Excess (deficiency) of revenues over (under) expenditures | (4,116,447) | | 9,690,205 | | 8,698,705 | 11,285,493 | |
| Other Fin Sources (Uses) | | | | | | | |
| Transfers in | 30,605,290 | | 24,250,000 | | 20,302,000 | 20,302,000 | |
| Transfers out | (26,389,963) | | (33,967,404) | | (33,884,076) | (31,587,493) | |
| Total Other Fin Sources (Uses) | 4,215,327 | | (9,717,404) | | (13,582,076) | (11,285,493) | |
| Net Inc (Dec) in Fund Balance | \$ 98,880 | | \$ (27,199) | | \$ (4,883,371) | \$ - | |

Other Revenues: Rental Income; Sale of fixed Assets; Vending Machine & Pay Phone

Other Expenditures: Cost Allocation; Interest; Principal-Bonds

General Fund History of Revenues by Category

| Account Description | 2008 Actual | 2009 Actual | 2010 Actual | 2011 Amended | 2012 Adopted |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Current property tax | \$ 84,471,292 | \$ 85,766,738 | \$ 83,737,448 | \$ 84,596,750 | \$ 82,309,439 |
| Trailer tax | 44,520 | 52,322 | 48,380 | 49,000 | 49,700 |
| Delinquent property tax | (330,969) | (801,490) | (284,805) | (300,000) | (250,000) |
| Payments in lieu of taxes | 177,186 | 152,706 | 174,278 | 173,600 | 189,700 |
| Industrial facility tax | 1,263,177 | 1,283,178 | 640,317 | 1,227,500 | 1,069,086 |
| Penalties and interest on taxes | 168,170 | 147,698 | 183,964 | 178,000 | 183,300 |
| Taxes | 85,793,376 | 86,601,152 | 84,499,582 | 85,924,850 | 83,551,225 |
| Boat livery inspections | 384 | 412 | 430 | 400 | 400 |
| Professional registrations | 2,325 | 2,250 | 2,800 | 2,000 | 2,500 |
| Marriage licenses | 23,765 | 22,630 | 22,660 | 21,000 | 22,500 |
| Pistol permits | 63,032 | 104,158 | 76,242 | 87,400 | 72,460 |
| Licenses & permits | 89,506 | 129,450 | 102,132 | 110,800 | 97,860 |
| State grants | 1,614,249 | 1,676,210 | 1,645,743 | 1,683,146 | 1,844,362 |
| State grants - court equity PA 374 | 3,451,364 | 3,319,123 | 3,211,013 | 3,425,000 | 3,254,700 |
| State grants - liquor tax PA 106 | 3,518,605 | 3,366,875 | 3,412,087 | 3,276,596 | 3,918,973 |
| State cigarette tax distribution | 197,456 | 143,009 | 94,823 | 20,050 | 100,000 |
| State shared revenue | - | - | - | 6,939,894 | 9,132,460 |
| Contribution from local units | 398,848 | 451,279 | 670,067 | 1,346,062 | 1,306,000 |
| Intergovernmental | 9,180,523 | 8,956,496 | 9,033,733 | 16,690,748 | 19,556,495 |
| Court fees | 2,599,130 | 2,756,781 | 3,167,244 | 3,515,500 | 3,359,990 |
| Adoption fees | 19,051 | 15,508 | 20,078 | 17,390 | 18,820 |
| Probation fees | 210,254 | 204,025 | 238,447 | 207,800 | 284,800 |
| Court bond costs | 29,803 | 25,631 | 22,644 | 27,300 | 21,690 |
| Overseeing fees | 48,776 | 51,283 | 44,582 | 52,000 | 51,140 |
| Name Search Fees | - | 216,692 | 270,023 | 221,000 | 298,300 |
| Filing fees | 160,666 | 167,375 | 174,924 | 170,000 | 165,000 |
| Jury fees | 27,060 | 26,080 | 32,280 | 27,000 | 29,830 |
| Appeal fees | 2,325 | 2,020 | 2,550 | 2,400 | 2,460 |
| Motion fees | 77,530 | 77,323 | 83,800 | 78,700 | 78,700 |
| Civil fees | 506,890 | 527,574 | 586,838 | 530,000 | 580,550 |
| Real estate transfer tax | 2,080,404 | 1,567,786 | 1,517,566 | 1,500,000 | 1,567,000 |
| Tax cert, history & search | 17,481 | 15,639 | 19,249 | 17,500 | 18,700 |
| Certified copy fee | 959,649 | 665,305 | 697,196 | 665,700 | 680,200 |
| Recording fee | 1,524,219 | 1,657,941 | 1,599,207 | 1,520,000 | 1,590,000 |
| Partnership file & dissolve | 4,010 | 3,910 | 3,630 | 4,000 | 3,700 |
| Assumed name fee | 29,260 | 30,635 | 30,700 | 30,500 | 30,200 |
| Notary bond fee | 8,194 | 4,032 | 5,780 | 4,400 | 5,400 |
| Service fees | 47,539 | 66,084 | 92,850 | 69,500 | 167,246 |
| Other fees | 2,289,778 | 2,193,177 | 2,264,552 | 2,424,830 | 2,467,686 |
| Board & care | 3,489,130 | 2,575,135 | 1,425,346 | 2,000,000 | 1,500,000 |
| Board & care-Diverted felons | - | - | 506,670 | 500,000 | 500,000 |
| Clinic Fees Kent Health Plan | 777,000 | 777,000 | 777,000 | 777,000 | 777,000 |
| Record copy fee | 245,301 | 226,230 | 233,194 | 230,000 | 260,000 |
| Photographic services | 20,554 | 5,925 | 42,035 | 15,500 | 34,650 |
| Printing service | 252,745 | 231,114 | 234,560 | 280,000 | 234,570 |
| Transportation services | 14,088 | 12,999 | 14,658 | 14,500 | 12,760 |
| Rental charges | - | - | 22,596 | 10,000 | 22,000 |
| Other services | 422,500 | 283,072 | 263,566 | 300,600 | 336,590 |
| Sale of supplies | 65,139 | 62,262 | 37,624 | 60,000 | 43,970 |

Continued on following page

Fund Summaries

Continued from previous page

| Account Description | 2008 Actual | 2009 Actual | 2010 Actual | 2011 Amended | 2012 Adopted |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Commissary | 231,626 | 290,370 | 260,045 | 288,400 | 269,850 |
| Sales-utilities | 1,171,294 | 1,163,216 | 1,174,480 | 1,229,900 | 1,169,300 |
| Admission Fees | 1,375,708 | 1,330,131 | 1,239,079 | 1,547,199 | 1,569,500 |
| Other charges | 5,694 | (4,215) | 37,191 | 50,300 | 149,720 |
| Charges for services | 18,712,800 | 17,228,038 | 17,142,184 | 18,388,919 | 18,301,322 |
| Penal fines | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 |
| Bond forfeitures | 59,415 | 90,615 | 31,107 | 85,000 | 38,730 |
| Nom & recount fee forfeiture | 120 | 5,000 | 3,168 | 1,000 | 3,300 |
| Fines, forfeitures & penalties | 91,609 | 72,204 | 65,379 | 72,000 | 64,630 |
| Fines & forfeitures | 159,644 | 176,319 | 108,154 | 166,500 | 115,160 |
| Interest earned | 3,056,918 | 1,966,576 | 62,905 | 887,500 | 842,100 |
| Interest earnings | 3,056,918 | 1,966,576 | 62,905 | 887,500 | 842,100 |
| Reimbursements | 12,503,222 | 12,262,981 | 12,678,298 | 14,035,881 | 12,914,328 |
| Collection fees-delinquent | 23,266 | 35,418 | 44,184 | 35,500 | 44,960 |
| Collection fees-neglect | 28,468 | 48,297 | 36,057 | 39,900 | 33,960 |
| Reimbursements | 12,554,956 | 12,346,696 | 12,758,539 | 14,111,281 | 12,993,248 |
| Rental income | 2,025,524 | 3,029,634 | 2,455,640 | 3,722,383 | 3,976,142 |
| Royalties | 3,583 | 2,765 | 2,437 | 3,500 | 3,000 |
| Sale of fixed assets | 210,818 | 288,220 | 154,491 | 225,000 | 190,200 |
| Contributions-private sources | 198 | 330 | 106,154 | 4,200 | 4,000 |
| Refunds-rebates | 5,470 | 4,898 | 5,312 | 5,200 | 5,200 |
| Vending machine & pay phones | 512,487 | 427,032 | 314,187 | 450,500 | 383,490 |
| Miscellaneous income | 153,517 | 418,187 | 140,349 | 252,875 | 167,900 |
| Cash short & over | 1,471 | 69 | 155 | 200 | 200 |
| Other revenue | 2,913,068 | 4,171,137 | 3,178,726 | 4,663,858 | 4,730,132 |
| Transfers in-building authority construction | - | 1,516,999 | - | - | - |
| Transfers in-correction & detention | 16,000,000 | 16,500,000 | 13,025,000 | 14,750,000 | 15,210,000 |
| Transfers in-revenue sharing reserve fund | 11,500,296 | 12,006,309 | 11,970,290 | 4,500,000 | - |
| Transfers in-delinquent tax | 3,000,000 | 3,500,000 | 4,900,000 | 5,000,000 | 5,092,000 |
| Transfers in-capital improvement program | - | 1,715,353 | 710,000 | - | - |
| Transfer in-special projects | 2,705 | 2,444 | - | - | - |
| Transfers in | 30,503,001 | 35,241,105 | 30,605,290 | 24,250,000 | 20,302,000 |
| Total revenue | \$162,963,790 | \$166,816,968 | \$157,491,245 | \$165,194,456 | \$160,489,542 |

Special Revenue Funds

Schedule of Uses of Financial Resources

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | Amended % Change |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| | Audited | Adopted | Amended | Requested | Adopted | |
| Fire Commission Fund | \$ 593,148 | \$ 572,241 | \$ 572,241 | \$ 573,304 | \$ 253,304 | -55.7% |
| Friend of the Court Fund | 8,718,983 | 9,076,070 | 9,076,070 | 8,783,765 | 8,783,765 | -3.2% |
| Administration | 4,344,705 | 2,714,158 | 2,833,500 | 2,599,715 | 2,608,248 | -7.9% |
| Community Nursing | 5,818,458 | 6,405,694 | 6,482,840 | 6,671,516 | 6,223,130 | -4.0% |
| Clinical Services | 10,556,641 | 11,058,290 | 11,058,290 | 11,134,498 | 11,012,300 | -0.4% |
| Environmental Health | 4,921,120 | 5,237,036 | 5,237,036 | 4,912,990 | 4,774,958 | -8.8% |
| Health Fund | 25,640,924 | 25,415,178 | 25,611,666 | 25,318,719 | 24,618,636 | -3.9% |
| Lodging Excise Tax Fund | 6,431,358 | 6,665,537 | 6,665,537 | 6,984,756 | 6,984,756 | 4.8% |
| Correction & Detention Millage | 2,414,820 | 941,618 | 941,618 | 941,618 | 941,618 | 0.0% |
| Senior Millage Fund | 6,773,948 | 6,661,368 | 6,661,368 | 6,691,118 | 6,691,118 | 0.4% |
| ROD - Automation Fund | 427,090 | 595,284 | 595,284 | 539,994 | 539,994 | -9.3% |
| Central Dispatch Collection | 3,983,366 | 4,550,000 | 4,550,000 | 4,375,000 | 4,375,000 | -3.8% |
| Kent Narcotics | 90,719 | 141,846 | 141,846 | 141,163 | 141,163 | -0.5% |
| Kent Narcotics - Federally Fofeited Prop | 65,409 | 89,500 | 89,500 | 130,500 | 130,500 | 45.8% |
| Drug Law Enforcement Fund | 156,128 | 231,346 | 231,346 | 271,663 | 271,663 | 17.4% |
| Community Development Fund | 5,117,875 | 2,419,228 | 8,219,056 | 2,280,853 | 2,280,853 | -72.2% |
| Shelter Plus Care | 922,644 | 1,342,860 | 1,342,860 | 1,308,276 | 1,308,276 | -2.6% |
| DHS Social Welfare Fund | 1,435,528 | 1,620,000 | 1,620,000 | 1,720,000 | 1,720,000 | 6.2% |
| Juvenile Sex Offender | 328,538 | 386,266 | 386,266 | 405,858 | 405,858 | 5.1% |
| Juvenile Court CASA | 226,442 | 240,442 | 240,442 | 266,442 | 266,442 | 10.8% |
| Facilities Management | 655,030 | 707,713 | 707,713 | 702,997 | 702,997 | -0.7% |
| Community Probation | 4,287,002 | 4,509,023 | 4,509,023 | 4,562,301 | 4,461,909 | -1.0% |
| Juvenile Assessment & Diversion | 213,484 | 234,901 | 234,901 | 194,760 | 194,760 | -17.1% |
| Placement | 6,204,945 | 7,150,741 | 7,150,741 | 6,648,242 | 6,448,242 | -9.8% |
| Young Delinquent Inten Inter Program | 204,354 | 204,354 | 204,354 | 214,572 | 214,572 | 5.0% |
| Community Reintegration | 298,046 | 313,041 | 313,041 | 315,779 | 315,779 | 0.9% |
| Juvenile Detention | 6,732,139 | 6,899,831 | 6,899,831 | 6,895,114 | 6,895,114 | -0.1% |
| Detention Milk Meal | 95,000 | 95,000 | 95,000 | 95,000 | 95,000 | 0.0% |
| Kent Crisis Intervention | 423,283 | 446,510 | 446,510 | 449,861 | 449,861 | 0.8% |
| Child Care Fund | 19,668,263 | 21,187,822 | 21,187,822 | 20,750,926 | 20,450,534 | -3.5% |
| DHS Child Care Fund | 10,572,425 | 13,851,783 | 13,851,783 | 13,745,040 | 11,942,319 | -13.8% |
| Veteran's Trust Fund | 62,690 | 75,000 | 105,000 | 105,000 | 105,000 | 0.0% |
| Agricultural Preservation | 1,338,519 | 485,500 | 498,839 | 835,000 | 429,286 | -13.9% |
| Admin Office - Energy Use Reduction Prog | 1,369,335 | - | 1,364,550 | - | - | -100.0% |
| Admin Office - Prevent Neglect Focus Grp | 6,300 | - | - | - | - | NA |
| CC - Family Counseling | 57,380 | 69,478 | 175,179 | 70,000 | 70,000 | -60.0% |

Continued on following page

Fund Summaries

Continued from previous page

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | Amended % Change |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Audited | Adopted | Amended | Requested | Adopted | |
| Coop Ext - Mississippi Food Network | 40,440 | 35,708 | 53,207 | - | - | -100.0% |
| Coop Ext - Healthy Kids Healthy Families | - | - | 119 | - | - | -100.0% |
| Drain Comm - Black Creek/Lincoln Lake | 17,336 | - | 98,611 | - | - | -100.0% |
| Drain Comm - Special Assessment | 74,636 | 76,520 | 76,520 | 76,862 | 76,862 | 0.4% |
| Facilities Management - Fallasburg Dam | 166,185 | 4,000 | 51,228 | 4,000 | 4,000 | -92.2% |
| Remonumentation Program | 27,476 | 175,000 | 175,000 | 196,702 | 196,702 | 12.4% |
| Parks - Kent Trails | 74,937 | - | 43,186 | 2,000 | 2,000 | -95.4% |
| Parks - Fallasburg | 1,519 | - | - | - | - | NA |
| Sheriff - Countywide 911 Dispatch | 4,463,099 | - | 8,288,757 | - | - | -100.0% |
| Sheriff - Park Security | - | - | - | 117,184 | 117,184 | NA |
| Sheriff - Gifts - DARE | - | - | - | 5,000 | 5,000 | NA |
| Sheriff - Gifts - Honor Camp | 2,394 | - | - | - | - | NA |
| Sheriff - Gifts - Jail | 76,233 | 94,700 | 94,700 | 160,800 | 160,800 | 69.8% |
| Sheriff - 82 Ionia Security | - | 301,155 | 301,155 | 227,506 | 227,506 | -24.5% |
| Sheriff - Courthouse Security | - | 1,273,877 | 1,273,877 | 1,265,880 | 1,265,880 | -0.6% |
| Sheriff - Risk Avoidance Grant | 30,000 | - | - | - | - | NA |
| Sheriff - NIJ - Cold Case Grant | - | - | 407,449 | - | - | -100.0% |
| Sheriff - Local Corr Officers Training | 131,240 | 294,300 | 294,300 | 291,312 | 291,312 | -1.0% |
| Sheriff - Michigan Dispatch Training | 8,518 | 45,000 | 45,000 | 45,000 | 45,000 | 0.0% |
| Sheriff - Michigan Justice Training | 57,491 | 50,000 | 50,000 | 36,000 | 36,000 | -28.0% |
| Sheriff - 63rd District Court Security | - | 89,070 | 89,070 | 187,189 | 187,189 | 110.2% |
| Sheriff - Emergency Mgmt - 2007 SHSG | 15,142 | - | - | - | - | NA |
| Sheriff - Emergency Mgmt - 2008 SHSG | 61,024 | - | 168,119 | - | - | -100.0% |
| Special Project Fund Calendar Year End | 8,019,203 | 2,994,308 | 13,548,866 | 3,520,435 | 3,114,721 | -77.0% |
| CC - JABG | 49,245 | 58,925 | 110,047 | 50,058 | 50,058 | -54.5% |
| CC - DMC Intervention and Reduction | 162,065 | 125,000 | 125,000 | - | - | -100.0% |
| CC - Juvenile Accountability | 1,901 | 5,698 | 10,371 | 6,606 | 6,606 | -36.3% |
| Community Corrections Grant | 226,830 | 249,275 | 249,275 | 249,275 | 249,275 | 0.0% |
| Community Corrections Admin | 907,631 | 1,003,465 | 1,017,391 | 1,013,643 | 1,013,643 | -0.4% |
| FOC - SCAO - Child Support Speciality | 28,033 | 50,000 | 109,467 | - | - | -100.0% |
| FOC - Access and Visitation Grants | 7,112 | 13,550 | 13,550 | 15,000 | 15,000 | 10.7% |
| FOC - REACH Grant | - | - | 183,424 | 162,388 | 162,388 | -11.5% |
| Prosecutor - Cooperative Reimb | 1,594,058 | 1,765,172 | 1,765,172 | 1,804,990 | 1,804,990 | 2.3% |
| Sheriff - Sheriff's Drug Enforcement | 103,718 | 106,903 | 106,903 | 109,595 | 109,595 | 2.5% |
| Sheriff - Electronic Crash Capture Grant | 85,600 | - | - | - | - | NA |
| Sheriff - Byrne Memorial JAG Grant | - | - | 117,189 | - | - | -100.0% |
| Sheriff - Secondary Road Patrol | 484,412 | 452,054 | 452,054 | 514,347 | 514,347 | 13.8% |
| Special Project Funds Fiscal Year End | 3,650,605 | 3,830,042 | 4,259,842 | 3,925,902 | 3,925,902 | -7.8% |
| Special Revenue Funds before Transfers | \$104,589,000 | \$102,029,685 | \$119,040,359 | \$101,836,369 | \$ 98,307,459 | -17.4% |
| Special Projects | - | - | - | 167,500 | 167,500 | NA |
| Correction & Detention Millage | 13,025,000 | 14,750,000 | 14,750,000 | 15,210,000 | 15,210,000 | 3.1% |
| Revenue Sharing Reserve Fund | 11,970,290 | 4,500,000 | 4,500,000 | - | - | -100.0% |
| Tranfers Out | 24,995,290 | 19,250,000 | 19,250,000 | 15,377,500 | 15,377,500 | -20.1% |
| Estimated Appropriation Lapse | - | (849,998) | (849,998) | (500,001) | (500,001) | -41.2% |
| Total Special Revenue Funds | \$129,584,290 | \$120,429,687 | \$137,440,361 | \$116,713,868 | \$113,184,958 | -17.6% |

Fire Prevention Special Revenue Fund

Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|-------------------|------------------|-------------------|-------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 194,223 | \$ 187,074 | \$ 165,627 | \$ 193,300 | \$ 225,652 |
| Investment earnings | 2,359 | 1 | 1,750 | 1,200 | 100 |
| Reimbursements | 172,836 | 159,388 | 142,000 | 186,000 | - |
| Other | 15,398 | 7,000 | 18,000 | 24,900 | 10,000 |
| Total Revenues | 384,816 | 353,463 | 327,377 | 405,400 | 235,752 |
| Expenditures: | | | | | |
| Personnel | 1,621 | 1,454 | 2,100 | 1,400 | 1,760 |
| Commodities | 12,155 | 7,879 | 13,000 | 11,400 | 13,000 |
| Contractual services | 194,667 | 174,191 | 199,028 | 199,400 | 218,656 |
| Other | 29,297 | 41,693 | 35,613 | 35,600 | 17,388 |
| Capital outlay | 318,978 | 367,931 | 322,500 | 322,500 | 2,500 |
| Total Expenditures | 556,718 | 593,148 | 572,241 | 570,300 | 253,304 |
| Excess (deficiency) of revenues over (under) expenditures | (171,903) | (239,685) | (244,864) | (164,900) | (17,552) |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 196,000 | 172,247 | 165,627 | 165,600 | 126,652 |
| Transfers out | - | - | - | - | - |
| Total Other financing sources (Uses) | 196,000 | 172,247 | 165,627 | 165,600 | 126,652 |
| Net Inc (Dec) in Fund Balance | 24,097 | (67,438) | (79,237) | 700 | 109,100 |
| Fund Balance, beginning of year | 193,689 | 217,786 | 150,348 | 150,348 | 151,048 |
| Fund Balance, end of year | \$ 217,786 | \$ 150,348 | \$ 71,111 | \$ 151,048 | \$ 260,148 |

Fire apparatus acquisitions are billed to the local units of government in the subsequent year of purchase. In 2012, there is no planned fire apparatus acquisition planned, therefore there is no offsetting expense for the reimbursement of the 2011 apparatus acquisition shown in 2012. This will be offset in 2013 when there will be acquisition expenses with no revenue off-set from 2012.

Friend of the Court Special Revenue Fund

Fund Statement

| | <i>Year ended September 30,</i> | | | | |
|--|---------------------------------|------------------|------------------|-------------------|------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 5,819,758 | \$ 5,875,586 | \$ 6,218,002 | \$ 5,900,000 | \$ 6,008,928 |
| Charges for services | 655,824 | 652,148 | 790,400 | 704,600 | 784,000 |
| Fines & Forfeitures | 900 | 2,193 | 1,000 | 2,100 | 1,000 |
| Total Revenues | 6,476,482 | 6,529,926 | 7,009,402 | 6,606,700 | 6,793,928 |
| Expenditures: | | | | | |
| Personnel | 7,088,748 | 7,082,764 | 7,438,633 | 6,858,400 | 7,311,063 |
| Commodities | 190,913 | 161,795 | 195,720 | 175,000 | 189,200 |
| Contractual Services | 257,564 | 231,374 | 248,020 | 190,000 | 227,388 |
| Other | 1,103,473 | 1,212,697 | 1,188,377 | 1,200,000 | 1,025,284 |
| Capital outlay | 30,906 | 30,353 | 5,320 | 5,300 | 30,830 |
| Total Expenditures | 8,671,604 | 8,718,983 | 9,076,070 | 8,428,700 | 8,783,765 |
| Excess (deficiency) of revenues over (under) expenditures | (2,195,122) | (2,189,057) | (2,066,668) | (1,822,000) | (1,989,837) |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 2,145,122 | 2,238,990 | 2,066,668 | 1,822,000 | 1,989,837 |
| Transfers out | - | - | - | - | - |
| Total Other financing sources (Uses) | 2,145,122 | 2,238,990 | 2,066,668 | 1,822,000 | 1,989,837 |
| Net Inc (Dec) in Fund Balance | (50,000) | 49,933 | - | - | - |
| Fund Balance, beginning of year | 99,999 | 49,999 | 99,931 | 99,931 | 99,931 |
| Fund Balance, end of year | \$ 49,999 | \$ 99,931 | \$ 99,931 | \$ 99,931 | \$ 99,931 |

Health Special Revenue Fund

Fund Statement

| | <i>Year ended September 30,</i> | | | | |
|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2009 | 2010 | 2011 | 2011 | 2012 |
| | Audited | Audited | Amended | Estimated | Adopted |
| Revenues: | | | | | |
| Licenses and permits | \$ 1,376,145 | \$ 1,624,421 | \$ 1,543,053 | \$ 1,506,000 | \$ 1,622,718 |
| Intergovernmental | 10,038,973 | 12,208,084 | 10,190,090 | 10,450,000 | 9,705,921 |
| Charges for services | 814,732 | 879,339 | 893,705 | 1,030,000 | 1,105,652 |
| Fines & Forfeitures | 135,767 | 143,986 | 142,000 | 115,000 | 155,143 |
| Reimbursements | 3,508,764 | 4,874,351 | 4,588,451 | 4,923,000 | 4,403,135 |
| Other | 354,738 | 436,619 | 381,853 | 365,000 | 469,198 |
| Total Revenues | 16,229,119 | 20,166,801 | 17,739,152 | 18,389,000 | 17,461,767 |
| Expenditures: | | | | | |
| Personnel | 17,129,736 | 16,975,233 | 17,793,225 | 16,917,000 | 17,150,562 |
| Commodities | 3,129,146 | 4,003,300 | 3,624,227 | 3,314,000 | 3,455,853 |
| Contractual Services | 2,554,282 | 3,043,004 | 2,611,247 | 2,739,000 | 2,643,800 |
| Other | 1,273,199 | 1,253,516 | 1,345,622 | 1,346,000 | 1,151,512 |
| Capital outlay | 373,380 | 365,872 | 237,345 | 210,000 | 216,909 |
| Appropriation Lapse | - | - | (849,998) | - | (500,001) |
| Total Expenditures | 24,459,743 | 25,640,924 | 24,761,668 | 24,526,000 | 24,118,635 |
| Excess (deficiency) of revenues over (under) expenditures | (8,230,624) | (5,474,123) | (7,022,516) | (6,137,000) | (6,656,868) |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 8,345,288 | 5,369,279 | 7,029,696 | 6,137,000 | 6,656,868 |
| Transfers out | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 8,345,288 | 5,369,279 | 7,029,696 | 6,137,000 | 6,656,868 |
| Net Inc (Dec) in Fund Balance | 114,663 | (104,844) | 7,180 | - | - |
| Fund Balance, beginning of year | 100,002 | 214,666 | 109,821 | 109,821 | 109,821 |
| Fund Balance, end of year | \$ 214,666 | \$ 109,821 | \$ 117,001 | \$ 109,821 | \$ 109,821 |

Lodging Excise Tax Special Revenue Fund

Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|------------------|-------------------|-------------------|-------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Taxes | \$ 4,684,675 | \$ 4,923,974 | \$ 4,592,000 | \$ 5,835,700 | \$ 5,893,750 |
| Charges for services | 530 | 494 | 500 | 400 | 500 |
| Fines & Forfeitures | 1,999 | 1,838 | 1,000 | 8,000 | 1,000 |
| Investment earnings | 33,595 | 15,695 | 5,000 | 10,100 | 10,000 |
| Total Revenues | 4,720,799 | 4,942,001 | 4,598,500 | 5,854,200 | 5,905,250 |
| Expenditures: | | | | | |
| Administration | 145,926 | 150,039 | 193,498 | 150,000 | 175,730 |
| CCBA Lease | 4,866,956 | 5,446,319 | 5,642,119 | 5,642,100 | 5,844,432 |
| Sports Commission | 200,000 | 200,000 | 200,000 | 200,000 | 100,000 |
| CVB | 700,000 | 625,000 | 619,920 | 619,900 | 854,594 |
| Zoo Society | - | - | - | - | - |
| Arts Festival | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Total Expenditures | 5,922,882 | 6,431,358 | 6,665,537 | 6,622,000 | 6,984,756 |
| Excess (deficiency) of revenues over (under) expenditures | (1,202,085) | (1,489,357) | (2,067,037) | (767,800) | (1,079,506) |
| Other financing sources (uses): | | | | | |
| Operating transfers in | 505,662 | 1,474,356 | 2,094,500 | 925,000 | 841,348 |
| Operating transfers out | - | - | - | - | - |
| Total Other financing sources (uses) | 505,662 | 1,474,356 | 2,094,500 | 925,000 | 841,348 |
| Net Inc (Dec) in Fund Balance | (696,422) | (15,000) | 27,463 | 157,200 | (238,158) |
| Fund Balance, beginning of year | 1,108,384 | 411,962 | 396,962 | 396,962 | 554,162 |
| Fund Balance, end of year | \$ 411,962 | 396,962 | \$ 424,425 | \$ 554,162 | \$ 316,004 |

The 2012 budget includes the elimination of \$158,652 in the General Fund Transfer Out to the Lodging Excise Tax Fund (Fund), reducing the requested subsidy from \$1,000,000 to \$841,348, to provide the General Fund with a structurally balanced budget. The Fund may absorb this reduced Transfer In in two ways. The recommended budget provides for a 1% growth in lodging tax revenues, if the lodging tax revenue for 2012 were to grow at a rate of 3.7%, the proposed reduction in subsidy would be offset by these additional revenues. If the extra revenue growth fails to materialize, there is adequate fund balance within the Fund to absorb the projected shortfall. If the entire budgeted shortfall of \$238,158 had to be absorbed, there would be an estimated \$316,004 left in fund balance. Should this latter scenario occur, the 2013 General Fund Transfer Out will be increased by an amount sufficient to bring the fund balance to approximately \$490,000, which complies with Board policy.

Correction & Detention Special Revenue Fund

Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Taxes | \$ 16,624,828 | \$ 16,609,672 | \$ 16,177,346 | \$ 15,800,000 | \$ 15,680,481 |
| Investment earnings | 219,708 | 90,343 | 56,250 | 81,300 | 80,000 |
| Other | 5,000 | - | - | - | - |
| Total Revenues | 16,849,536 | 16,700,015 | 16,233,596 | 15,881,300 | 15,760,481 |
| Expenditures: | | | | | |
| Contractual services | 2,488,215 | 2,414,820 | 941,618 | 941,600 | 941,618 |
| Total Expenditures | 2,488,215 | 2,414,820 | 941,618 | 941,600 | 941,618 |
| Excess (deficiency) of revenues over (under) expenditures | 14,361,321 | 14,285,195 | 15,291,978 | 14,939,700 | 14,818,863 |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out - General Fund | (16,500,000) | (13,025,000) | (14,750,000) | (13,500,000) | (15,210,000) |
| Total Other Financing Sources (Uses) | (16,500,000) | (13,025,000) | (14,750,000) | (13,500,000) | (15,210,000) |
| Net Inc (Dec) in Fund Balance | (2,138,678) | 1,260,195 | 541,978 | 1,439,700 | (391,137) |
| Fund Balance, beginning of year | 3,200,377 | 1,061,699 | 2,321,895 | 2,321,895 | 3,761,595 |
| Fund Balance, end of year | \$ 1,061,699 | \$ 2,321,895 | \$ 2,863,873 | \$ 3,761,595 | \$ 3,370,458 |

It is expected that the subsidy to the General Fund, from this fund, will range between \$15.5 million and \$15.9 million over the next five years, systematically spending down fund balance. The fund balance will be maintained at a level of approximately \$500,000 starting in FY 2016.

Senior Millage Special Revenue Fund

Fund Statement

| | <i>Year ended December 31,</i> | | | | |
|----------------------------------|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Taxes | \$ 6,845,590 | \$ 6,826,247 | \$ 6,616,368 | \$ 6,450,000 | \$ 6,386,118 |
| Investment earnings | 80,159 | 31,613 | 45,000 | 26,100 | 30,000 |
| Total Revenues | 6,925,749 | 6,857,859 | 6,661,368 | 6,476,100 | 6,416,118 |
| Expenditures: | | | | | |
| Administration | 278,378 | 278,378 | 267,462 | 278,400 | 282,832 |
| Priority services | 3,194,933 | 2,745,417 | 3,144,333 | 2,992,900 | 3,204,143 |
| Support services | 974,859 | 828,915 | 792,364 | 772,700 | 768,994 |
| Access | 798,836 | 777,729 | 839,716 | 810,100 | 849,823 |
| Access - AAAWM | 711,432 | 574,466 | 551,321 | 551,300 | 560,000 |
| New and general | 1,427,270 | 1,519,301 | 993,782 | 969,000 | 964,243 |
| Emergent | 18,880 | 49,741 | 72,390 | 72,400 | 61,083 |
| Total Expenditures | 7,404,588 | 6,773,948 | 6,661,368 | 6,446,800 | 6,691,118 |
| Net Inc (Dec) in Fund Balance | (478,839) | 83,912 | - | 29,300 | (275,000) |
| Fund Balance, beginning of year | 749,724 | 270,885 | 354,797 | 354,797 | 384,097 |
| Fund Balance, end of year | \$ 270,885 | \$ 354,797 | \$ 354,797 | \$ 384,097 | \$ 109,097 |

The 2012 Senior Millage budget reflects a net decrease in fund balance of \$275,000. This is due to planned spending of accumulated reserves on senior services programming. This will bring the estimated fund balance down to the desired level of approximately \$100,000.

Register of Deeds Automation Special Revenue Fund

Fund Statement

| | <i>Year ended December 31,</i> | | | | |
|----------------------------------|--------------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2009 | 2010 | 2011 | 2011 | 2012 |
| | Audited | Audited | Amended | Estimated | Adopted |
| Revenues: | | | | | |
| Charges for services | \$ 558,952 | \$ 532,881 | \$ 550,000 | \$ 490,000 | \$ 535,000 |
| Investment earnings | 33,649 | 7,900 | 25,000 | 16,100 | 5,000 |
| Total Revenues | 592,601 | 540,781 | 575,000 | 506,100 | 540,000 |
| Expenditures: | | | | | |
| Personnel | - | 65,180 | 120,825 | 91,300 | 124,745 |
| Commodities | 15,066 | 20,741 | 36,000 | 24,200 | 34,000 |
| Contractual services | 300,500 | 198,423 | 271,370 | 161,400 | 217,270 |
| Other | 112,015 | 106,265 | 134,589 | 134,600 | 144,479 |
| Capital outlay | 24,817 | 36,480 | 32,500 | 10,000 | 19,500 |
| Total Expenditures | 452,397 | 427,090 | 595,284 | 421,500 | 539,994 |
| Net Inc (Dec) in Fund Balance | 140,203 | 113,691 | (20,284) | 84,600 | 6 |
| Fund Balance, beginning of year | 1,254,358 | 1,394,561 | 1,508,252 | 1,508,252 | 1,592,852 |
| Fund Balance, end of year | \$ 1,394,561 | \$ 1,508,252 | \$ 1,487,968 | \$ 1,592,852 | \$ 1,592,858 |

Drug Law Enforcement Special Revenue Fund

Fund Statement

| | Year ended December 31, | | | | |
|----------------------------------|-------------------------|-------------------|-------------------|-------------------|---------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Fines & Forfeitures | \$ 296,123 | \$ 337,893 | \$ 544,146 | \$ 358,900 | \$ 494,146 |
| Investment earnings | 9,572 | 3,893 | - | 6,900 | - |
| Total Revenues | 305,694 | 341,786 | 544,146 | 365,800 | 494,146 |
| Expenditures: | | | | | |
| Personnel | 65,876 | 66,507 | 69,053 | 68,500 | 69,341 |
| Commodities | 2,564 | 1,959 | 3,500 | 3,000 | 3,500 |
| Contractual services | 57,450 | 87,661 | 158,793 | 89,600 | 198,822 |
| Total Expenditures | 125,890 | 156,128 | 231,346 | 161,100 | 271,663 |
| Net Inc (Dec) in Fund Balance | 179,805 | 185,658 | 312,800 | 204,700 | 222,483 |
| Fund Balance, beginning of year | 209,694 | 389,499 | 575,157 | 575,157 | 779,857 |
| Fund Balance, end of year | \$ 389,499 | \$ 575,157 | \$ 887,957 | \$ 779,857 | \$ 1,002,340 |

In FY 2012, the Sheriff's Department expects to take in \$222,483 more in revenues, through application of various drug forfeiture laws, than is planned to spend. In the future, these funds will be used to finance narcotics law enforcement programs and related equipment.

Dispatch Collection Special Revenue Fund

Fund Statement

| | <i>Year ended December 31,</i> | | | | |
|----------------------------------|--------------------------------|------------------|------------------|-------------------|------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Charges for services | \$ 5,177,226 | \$ 3,980,410 | \$ 4,550,000 | \$ 4,029,100 | \$ 4,375,000 |
| Investment earnings | 10,807 | 2,960 | - | 3,200 | - |
| Total Revenues | 5,188,033 | 3,983,370 | 4,550,000 | 4,032,300 | 4,375,000 |
| Expenditures: | | | | | |
| Contractual services | 5,247,822 | 3,983,366 | 4,550,000 | 4,032,000 | 4,375,000 |
| Total Expenditures | 5,247,822 | 3,983,366 | 4,550,000 | 4,032,000 | 4,375,000 |
| Net Inc (Dec) in Fund Balance | (59,789) | 4 | - | 300 | - |
| Fund Balance, beginning of year | 59,792 | 3 | 7 | 7 | 307 |
| Fund Balance, end of year | \$ 3 | \$ 7 | \$ 7 | \$ 307 | \$ 307 |

The fund was established on July 1, 2008, the effective date for implementation of a telephone surcharge for 911 dispatch services.

Community Development Special Revenue Fund

Fund Statement

| | Year ended June 30, | | | | |
|----------------------------------|---------------------|------------------|------------------|-------------------|------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 2,164,524 | \$ 4,255,244 | \$ 7,047,846 | \$ 4,585,800 | \$ 2,205,853 |
| Reimbursements | 119,849 | 869,754 | 1,061,410 | 1,002,200 | 75,000 |
| Total Revenues | 2,284,373 | 5,125,213 | 8,109,256 | 5,588,000 | 2,280,853 |
| Expenditures: | | | | | |
| Personnel | 386,595 | 463,019 | 729,187 | 488,100 | 317,439 |
| Commodities | 17,429 | 14,577 | 16,616 | 17,300 | 14,909 |
| Contractual services | 1,668,879 | 4,581,269 | 7,391,207 | 5,054,200 | 1,902,815 |
| Other | 63,622 | 53,279 | 70,689 | 99,000 | 45,690 |
| Capital outlay | 15,811 | 5,731 | 11,357 | 6,800 | - |
| Total Expenditures | 2,152,337 | 5,117,875 | 8,219,056 | 5,665,400 | 2,280,853 |
| Net Inc (Dec) in Fund Balance | 132,036 | 7,337 | (109,800) | (77,400) | - |
| Fund Balance, beginning of year | - | 132,036 | 139,374 | 139,374 | 61,974 |
| Fund Balance, end of year | 132,036 | 139,374 | 29,573 | 61,974 | 61,974 |

State Revenue Sharing Special Revenue Fund

Fund Statement

| | Year ended December 31, | | | | |
|---|-------------------------|---------------------|--------------------|--------------------|-----------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Investment earnings | \$ 375,002 | \$ (59,438) | \$ - | \$ - | \$ - |
| Total Revenues | 375,002 | (59,438) | - | - | - |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | (12,006,309) | (11,970,290) | (4,500,000) | (4,400,268) | - |
| Total Other Financing Sources (Uses) | (12,006,309) | (11,970,290) | (4,500,000) | (4,400,268) | - |
| Net Inc (Dec) in Fund Balance | (11,631,307) | (12,029,728) | (4,500,000) | (4,400,268) | - |
| Fund Balance, beginning of year | 28,061,303 | 16,429,996 | 4,400,268 | 4,400,268 | - |
| Fund Balance, end of year | \$16,429,996 | \$ 4,400,268 | \$ (99,732) | \$ - | \$ - |

Public Act 357 of 2004 provided a funding mechanism to serve as a substitute to county revenue sharing payments. This substitute funding mechanism involves a gradual shift of county property tax millage from a winter tax levy to a summer tax levy.

Tax levy shift - The gradual shift from a winter tax levy to a summer tax levy transitioned as follows:

- In 2005, 1/3 of the county's allocated mills was levied in the summer
- In 2006, 2/3 of the county's allocated mills was levied in the summer
- In 2007, and each year after, all of the county's allocated mills will be levied in the summer

Reserve fund establishment - Each county was required to establish a restricted fund known as the Revenue Sharing Reserve Fund. Three payments, the sum total of which equals the county's December 2004 property tax levy, was placed in the fund from the following:

- 1/3 from the county's December 2004 property tax levy
- 1/3 from the county's December 2005 property tax levy
- 1/3 from the county's December 2006 property tax levy

As an example, the County's total 2004 allocated property tax levy equaled \$74,619,552, the County was required to transfer \$24,873,184 from the 2004 levy, \$24,873,184 from the 2005 levy, and \$24,873,184 from the 2006 levy to the Revenue Sharing Reserve Fund.

Revenue Sharing Reserve Fund Use - Annually, each county used the Revenue Sharing Reserve Fund in amounts not to exceed its October 1, 2003 through September 30, 2004 Revenue Sharing payments adjusted for inflation. The inflation rate is defined by MCL 211.34d(1)(l). The accumulated balance was drawn down over the next several years to supplement the County's General Fund revenues in lieu of payments previously received under the State's Revenue Sharing Program. In 2011, monies held in this fund were completely drawn down and the State began funding revenue sharing payments again.

Child Care Special Revenue Fund

Fund Statement

| | <i>Year ended September 30,</i> | | | | |
|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 9,425,100 | \$ 9,044,043 | \$ 9,726,024 | \$ 9,268,700 | \$ 9,407,619 |
| Charges for services | 191,977 | 201,875 | 210,000 | 185,900 | 210,000 |
| Reimbursements | 562,520 | 381,354 | 450,000 | 280,200 | 450,000 |
| Other | 35,000 | 70,000 | 77,000 | 77,000 | 90,000 |
| Total Revenues | 10,214,596 | 9,697,271 | 10,463,024 | 9,811,800 | 10,157,619 |
| Expenditures: | | | | | |
| Personnel | 9,438,411 | 9,636,178 | 9,991,622 | 9,877,400 | 9,905,394 |
| Commodities | 302,732 | 283,186 | 282,287 | 282,200 | 285,620 |
| Contractual services | 10,484,770 | 9,106,438 | 10,197,963 | 8,840,800 | 9,556,314 |
| Other | 754,302 | 630,622 | 698,030 | 678,500 | 671,856 |
| Capital outlay | 62,069 | 11,839 | 17,920 | 17,900 | 31,350 |
| Total Expenditures | 21,042,284 | 19,668,263 | 21,187,822 | 19,696,800 | 20,450,534 |
| Excess (deficiency) of revenues over (under) expenditures | (10,827,688) | (9,970,992) | (10,724,798) | (9,885,000) | (10,292,915) |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 10,917,959 | 9,883,395 | 10,724,798 | 9,885,000 | 10,292,915 |
| Transfers out | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 10,917,959 | 9,883,395 | 10,724,798 | 9,885,000 | 10,292,915 |
| Net Inc (Dec) in Fund Balance | 90,271 | (87,597) | - | - | - |
| Fund Balance, beginning of year | 77,630 | 167,901 | 80,305 | 80,305 | 80,305 |
| Fund Balance, end of year | \$ 167,901 | \$ 80,305 | \$ 80,305 | \$ 80,305 | \$ 80,305 |

DHS Child Care Special Revenue Fund

Fund Statement

| | <i>Year ended September 30,</i> | | | | |
|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 6,599,217 | \$ 5,263,896 | \$ 6,882,049 | \$ 5,337,300 | \$ 5,942,319 |
| Reimbursements | 1,138 | 153,220 | 15,000 | 15,000 | - |
| Other | 70,000 | - | - | - | - |
| Total Revenues | 6,670,355 | 5,417,115 | 6,897,049 | 5,352,300 | 5,942,319 |
| Expenditures: | | | | | |
| Contractual services | 12,922,317 | 10,556,597 | 13,800,278 | 10,713,400 | 11,904,201 |
| Other | 2,499 | 15,828 | 51,505 | 51,500 | 38,118 |
| Total Expenditures | 12,924,816 | 10,572,425 | 13,851,783 | 10,764,900 | 11,942,319 |
| Excess (deficiency) of revenues over (under) expenditures | (6,254,462) | (5,155,310) | (6,954,734) | (5,412,600) | (6,000,000) |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 6,254,462 | 5,155,310 | 6,954,734 | 5,412,600 | 6,000,000 |
| Transfers out | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 6,254,462 | 5,155,310 | 6,954,734 | 5,412,600 | 6,000,000 |
| Net Inc (Dec) in Fund Balance | 0 | 0 | - | - | - |
| Fund Balance, beginning of year | 19,723 | 19,723 | 19,724 | 19,724 | 19,724 |
| Fund Balance, end of year | \$ 19,723 | \$ 19,724 | \$ 19,724 | \$ 19,724 | \$ 19,724 |

Shelter Plus Care Special Revenue Fund

Fund Statement

| | <i>Year ended June 30,</i> | | | | |
|----------------------------------|----------------------------|-----------------|------------------|-------------------|------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 949,881 | \$ 922,644 | \$ 1,342,860 | \$ 888,300 | \$ 1,308,276 |
| Total Revenues | 949,881 | 922,644 | 1,342,860 | 888,300 | 1,308,276 |
| Expenditures: | | | | | |
| Contractual services | 949,881 | 922,644 | 1,342,860 | 888,300 | 1,308,276 |
| Total Expenditures | 949,881 | 922,644 | 1,342,860 | 888,300 | 1,308,276 |
| Net Inc (Dec) in Fund Balance | - | - | - | - | - |
| Fund Balance, beginning of year | - | - | - | - | - |
| Fund Balance, end of year | \$ - | \$ - | \$ - | \$ - | \$ - |

Social Welfare Special Revenue Fund

Fund Statement

| | <i>Year ended December 31,</i> | | | | |
|----------------------------------|--------------------------------|------------------|------------------|-------------------|-------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 1,210,491 | \$ 1,159,827 | \$ 1,340,000 | \$ 1,180,300 | \$ 1,600,000 |
| Reimbursements | 239,362 | 279,903 | 280,000 | 231,800 | 280,000 |
| Total Revenues | 1,449,853 | 1,439,731 | 1,620,000 | 1,412,100 | 1,880,000 |
| Expenditures: | | | | | |
| Contractual services | 1,431,968 | 1,435,528 | 1,620,000 | 1,421,800 | 1,720,000 |
| Total Expenditures | 1,431,968 | 1,435,528 | 1,620,000 | 1,421,800 | 1,720,000 |
| Net Inc (Dec) in Fund Balance | 17,885 | 4,202 | - | (9,700) | 160,000 |
| Fund Balance, beginning of year | 769 | 18,654 | 22,856 | 22,856 | 13,156 |
| Fund Balance, end of year | \$ 18,654 | \$ 22,856 | \$ 22,856 | \$ 13,156 | \$ 173,156 |

The Fiscal Year 2012 Adopted Budget projects that fund balances will grow by \$160,000, this is designed to bring fund balances to an acceptable level by the end of FY 2012.

Veterans' Trust Special Revenue Fund

Fund Statement

| | <i>Year ended September 30,</i> | | | | |
|----------------------------------|---------------------------------|-----------------|-----------------|-------------------|-----------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 70,548 | \$ 64,196 | \$ 105,000 | \$ 105,000 | \$ 105,000 |
| Total Revenues | 70,548 | 64,196 | 105,000 | 105,000 | 105,000 |
| Expenditures: | | | | | |
| Contractual services | 72,421 | 62,690 | 105,000 | 105,000 | 105,000 |
| Total Expenditures | 72,421 | 62,690 | 105,000 | 105,000 | 105,000 |
| Net Inc (Dec) in Fund Balance | (1,873) | 1,506 | - | - | - |
| Fund Balance, beginning of year | 5,315 | 3,442 | 4,948 | 4,948 | 4,948 |
| Fund Balance, end of year | \$ 3,442 | \$ 4,948 | \$ 4,948 | \$ 4,948 | \$ 4,948 |

Special Projects Calendar Year Special Revenue Fund Fund Statement

| | Year ended December 31, | | | | |
|--|-----------------------------------|-----------------------------------|---------------------|---------------------|---------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Licenses and permits | \$ 63,270 | \$ 63,450 | \$ 70,000 | \$ 64,300 | \$ 70,000 |
| Intergovernmental | 369,131 | 2,091,426 | 2,328,582 | 1,706,100 | 482,702 |
| Charges for services | 4,286,844 | 4,127,215 | 4,265,000 | 3,861,500 | 165,000 |
| Investment earnings | 72,468 | 80,960 | 50,800 | 33,300 | 500 |
| Reimbursements | - | - | 1,666,562 | 1,599,700 | 1,803,411 |
| Other | 247,961 | 795,599 | 372,956 | 355,000 | 250,148 |
| Total Revenues | 5,039,675 | 7,158,650 | 8,753,900 | 7,619,900 | 2,771,761 |
| Expenditures: | | | | | |
| Personnel | 164,172 | 166,710 | 2,172,602 | 2,172,600 | 2,076,419 |
| Commodities | 4,913 | 100 | 6,000 | - | 8,400 |
| Contractual services | 1,618,007 | 3,295,496 | 6,906,283 | 4,137,900 | 600,616 |
| Other | 15,719 | 5,486 | - | - | - |
| Capital outlay | 1,310 | 4,551,410 | 4,463,981 | 2,558,200 | 429,286 |
| Total Expenditures | 1,804,122 | 8,019,203 | 13,548,866 | 8,868,700 | 3,114,721 |
| Excess (deficiency) of revenues over (under) expenditures | 3,235,553 | (860,553) | (4,794,965) | (1,248,800) | (342,960) |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 71,174 | 378,569 | 280,474 | 280,000 | 288,500 |
| Transfers out | (2,444) | - | - | - | (167,500) |
| Total Other Financing Sources (Uses) | 68,730 | 378,569 | 280,474 | 280,000 | 121,000 |
| Net Inc (Dec) in Fund Balance | 3,304,283 | (481,984) | (4,514,491) | (968,800) | (221,960) |
| Fund Balance, beginning of year | 3,615,827 | 6,920,110 | 6,438,126 | 6,438,126 | 5,469,326 |
| Fund Balance, end of year | \$ 6,920,110^(a) | \$ 6,438,126^(b) | \$ 1,923,634 | \$ 5,469,326 | \$ 5,247,366 |

(a) Includes \$68,951 in fund balances assigned to the General Fund per GASB 54 and \$4,875,436 for Dispatch Auth not stated in the 2010 CAFR.

(b) Includes \$77,393 in fund balances assigned to the General Fund per GASB 54 and \$4,451,657 for Dispatch Auth not stated in the 2010 CAFR.

The Calendar Year Special Project Fund shows a net decrease in fund balance of \$221,960. This is due to Honor Camp Gifts and Correction Officer Training programs spending down accumulated reserves. The Countywide 911 Dispatch Authority is included in 2009 and 2010 actual activity and in the 2011 Amended and Estimated Budgets. For a complete listing of projects included in this fund see the Special Revenue Funds Schedule of Uses of Financial Resources.

Special Projects Fiscal Year Special Revenue Fund Fund Statement

| | Year ended September 30, | | | | |
|--|--------------------------|------------------|------------------|-------------------|------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 2,999,388 | \$ 3,012,859 | \$ 3,491,667 | \$ 3,300,000 | \$ 3,169,755 |
| Fines & Forfeitures | 52,099 | 43,868 | 52,828 | 45,000 | 48,048 |
| Investment earnings | 198 | 106 | - | 80 | - |
| Reimbursements | 8,461 | 2,972 | 1,000 | 700 | 1,000 |
| Other | 2,500 | 3,000 | 2,500 | 2,500 | 2,500 |
| Total Revenues | 3,062,646 | 3,062,805 | 3,547,995 | 3,348,280 | 3,221,303 |
| Expenditures: | | | | | |
| Personnel | 2,222,880 | 2,207,784 | 2,460,016 | 2,377,200 | 2,523,667 |
| Commodities | 51,914 | 55,138 | 63,300 | 52,600 | 69,138 |
| Contractual services | 1,115,961 | 990,839 | 1,297,988 | 1,100,000 | 1,073,317 |
| Other | 269,371 | 271,762 | 321,349 | 292,100 | 257,515 |
| Capital outlay | 17,524 | 125,083 | 117,189 | 117,200 | 2,265 |
| Total Expenditures | 3,677,650 | 3,650,605 | 4,259,842 | 3,939,100 | 3,925,902 |
| Excess (deficiency) of revenues over (under) expenditures | (615,004) | (587,800) | (711,847) | (590,820) | (704,599) |
| Other Financing Sources (Uses): | | | | | |
| Operating transfers in | 615,483 | 591,186 | 701,795 | 590,820 | 700,493 |
| Operating transfers out | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 615,483 | 591,186 | 701,795 | 590,820 | 700,493 |
| Net Inc (Dec) in Fund Balance | 479 | 3,386 | (10,052) | - | (4,106) |
| Fund Balance, beginning of year | 6,294 | 6,773 | 10,158 | 10,158 | 10,158 |
| Fund Balance, end of year | \$ 6,773 | \$ 10,158 | \$ 106 | \$ 10,158 | \$ 6,052 |

The Fiscal Year Special Project Fund shows a decrease in fund balance of \$4,106. This is due to spending down reserves in the Juvenile Accountability - Donations and Incentives program.

For a complete listing of projects included in this fund see the Special Revenue Funds Schedule of Uses of Financial Resources.

Debt Service Funds

Schedule of Uses of Financial Resources

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Audited | Adopted | Amended | Requested | Adopted | Amended % Change |
| 63rd District Court | \$ 386,015 | \$ 382,998 | \$ 382,998 | \$ 379,828 | \$ 379,828 | -0.8% |
| Fuller Complex - Animal Shelter | 342,914 | 340,233 | 340,233 | 337,417 | 337,417 | -0.8% |
| Fuller Complex - Boiler Plant | 88,875 | 88,181 | 88,181 | 87,451 | 87,451 | -0.8% |
| Fuller Complex - Campus Improvements | 133,503 | 132,460 | 132,460 | 131,364 | 131,364 | -0.8% |
| Fuller Complex - Spectrum Facility | 227,493 | 226,211 | 226,211 | 224,743 | 224,743 | -0.6% |
| Series A Bonds | 609,979 | 609,913 | 609,913 | 608,764 | 608,764 | -0.2% |
| Series B Bonds | 351,450 | 353,350 | 353,350 | 349,488 | 349,488 | -1.1% |
| Debt Service Fund | 2,140,229 | 2,133,346 | 2,133,346 | 2,119,055 | 2,119,055 | -0.7% |
| Courthouse | 4,345,389 | 4,340,004 | 4,340,004 | 4,340,263 | 4,340,263 | 0.0% |
| DHS Building | 2,080,894 | 2,078,969 | 2,078,969 | 2,075,369 | 2,075,369 | -0.2% |
| Sheriff's Administration Building | 747,740 | 758,025 | 758,025 | 756,875 | 756,875 | -0.2% |
| Correctional Facility Development | 1,587,399 | 1,557,577 | 1,557,577 | 1,557,577 | 1,557,577 | 0.0% |
| Correction and Detention Facilities | 2,414,870 | 46,530 | 46,530 | - | - | -100.0% |
| Juvenile Detention Remodel | 156,996 | 154,047 | 154,047 | 154,047 | 154,047 | 0.0% |
| Area Agency on Aging | 326,721 | - | - | - | - | NA |
| Building Authority Debt Service | 11,660,008 | 8,935,152 | 8,935,152 | 8,884,131 | 8,884,131 | -0.6% |
| Total Debt Service Fund | \$ 13,800,237 | \$ 11,068,498 | \$ 11,068,498 | \$ 11,003,186 | \$ 11,003,186 | -0.6% |

Debt Service Fund

Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|------------------|------------------|-------------------|------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Investment earnings | \$ (1,151) | \$ (288) | \$ - | \$ 40 | \$ - |
| Total Revenues | (1,151) | (288) | - | 40 | - |
| Expenditures: | | | | | |
| Principal retirement | 1,205,000 | 1,265,000 | 1,305,002 | 1,305,000 | 1,340,001 |
| Interest and agent fees | 916,588 | 875,229 | 828,344 | 828,340 | 779,054 |
| Total Expenditures | 2,121,588 | 2,140,229 | 2,133,346 | 2,133,340 | 2,119,055 |
| Excess (deficiency) of revenues over (under) expenditures | (2,122,738) | (2,140,518) | (2,133,346) | (2,133,300) | (2,119,055) |
| Other Financing Sources (Uses): | | | | | |
| Operating transfers in | 2,123,720 | 2,139,853 | 2,133,346 | 2,133,300 | 2,119,055 |
| Operating transfers out | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 2,123,720 | 2,139,853 | 2,133,346 | 2,133,300 | 2,119,055 |
| Net Inc (Dec) in Fund Balance | 982 | (665) | - | - | - |
| Fund Balance, beginning of year | 11,340 | 12,321 | 11,657 | 11,657 | 11,657 |
| Fund Balance, end of year | \$ 12,321 | \$ 11,657 | \$ 11,657 | \$ 11,657 | \$ 11,657 |

| Facility | Transfers In from: | | |
|----------------------------|---------------------|-------------------|---------------------|
| | CIP Fund | General Fund | Total |
| 63rd District Court | \$ 379,828 | \$ - | \$ 379,828 |
| Animal Shelter | 337,417 | - | 337,417 |
| Boiler Plant | 87,451 | - | 87,451 |
| Courthouse (Series A) | - | 244,935 | 244,935 |
| 82 Ionia (Series A) | - | 363,829 | 363,829 |
| 511 N Monroe (Series B) | - | 349,488 | 349,488 |
| Fuller Campus Improvements | 131,364 | - | 131,364 |
| Spectrum Facility | 224,743 | - | 224,743 |
| Total | \$ 1,160,803 | \$ 958,252 | \$ 2,119,055 |

Building Authority Debt Service Fund Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ - | \$ 784,977 | \$ 770,006 | \$ 770,000 | \$ 770,006 |
| Investment earnings | 2,665 | 3,174 | - | 4,400 | - |
| Other | 8,525,406 | 8,117,792 | 6,679,247 | 6,679,200 | 8,114,125 |
| Total Revenues | 8,528,071 | 8,905,944 | 7,449,253 | 7,453,600 | 8,884,131 |
| Expenditures: | | | | | |
| Principal retirement | 4,640,000 | 5,925,000 | 3,470,200 | 3,470,200 | 3,555,000 |
| Interest and agent fees | 4,255,307 | 5,735,008 | 5,464,952 | 5,464,900 | 5,329,131 |
| Total Expenditures | 8,895,307 | 11,660,008 | 8,935,152 | 8,935,100 | 8,884,131 |
| Excess (deficiency) of revenues over (under) expenditures | (367,237) | (2,754,064) | (1,485,899) | (1,481,500) | - |
| Other Financing Sources (Uses): | | | | | |
| Operating transfers in | 615,782 | 2,793,253 | 1,504,576 | 1,504,500 | - |
| Operating transfers out | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 615,782 | 2,793,253 | 1,504,576 | 1,504,500 | - |
| Net Inc (Dec) in Fund Balance | 248,547 | 39,188 | 18,677 | 23,000 | - |
| Fund Balance, beginning of year | 130,671 | 379,218 | 418,406 | 418,406 | 441,406 |
| Fund Balance, end of year | \$ 379,218 | \$ 418,406 | \$ 437,083 | \$ 441,406 | \$ 441,406 |

| <u>Facility</u> | <u>Funding Source</u> | <u>Amount</u> |
|---------------------------------|---|---------------------|
| Courthouse | Funded 100% with rent receipts from the Courthouse General Fund Operating Budget. The City of Grand Rapids reimburses the County for 31.35% of these costs. | \$ 4,340,263 |
| DHS Building | Funded 100% with rent receipts from the FM Human Services General Fund Operating Budget. The County General Fund is reimbursed for these costs by the State DHS (79.5%); ACSET (17.7%); and the Health Department (2.8%). | 2,075,369 |
| Juvenile Detention Remodel | Funded 45% from Federal Grants and 55% the Building Authority Construction Fund. | 154,047 |
| Sheriff Administration Building | Funded 100% from the Sheriff General Fund Operating Budget. | 756,875 |
| Correctional Facility Remodel | Funded 45% from Federal Grants and 55% the Building Authority Construction Fund. | 1,557,577 |
| Total | | \$ 8,884,131 |

Capital Project Funds

Schedule of Uses of Financial Resources

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | |
|---|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|
| | Actual | Adopted | Amended | Requested | Adopted | Amended % Change |
| Correctional Facility Development | \$ 6,595,673 | \$ - | \$ 20,578,925 | \$ - | \$ - | -100.0% |
| DHS Building | 406,672 | - | 1,595,921 | - | - | -100.0% |
| Juvenile Detention Remodel | 1,087,578 | - | 1,594,760 | - | - | -100.0% |
| Sheriff - Enforcement | 6,671,820 | - | 12,187 | - | - | -100.0% |
| Parks Headquarters | 29,935 | - | 42,164 | - | - | -100.0% |
| Bldg Authority Construction Fund | 14,791,678 | - | 23,823,956 | - | - | -100.0% |
| 63rd District Court | 145,104 | - | 611,566 | - | - | -100.0% |
| Fuller Complex Imp-FM-Animal Shelter | - | - | 33,400 | - | - | -100.0% |
| Fuller Complex Imp-FM-Boiler Plant | - | - | - | - | - | NA |
| Fuller Complex Imp-FM-Campus Impr | - | - | - | - | - | NA |
| Bond Capital Improvement Fund | 145,104 | - | 644,966 | - | - | -100.0% |
| Capital Improvement Program Fund | 4,244,509 | 2,110,926 | 13,558,522 | 2,739,325 | 2,739,325 | -79.8% |
| Capital Project Funds before Transfers | 19,181,291 | 2,110,926 | 38,027,444 | 2,739,325 | 2,739,325 | -92.8% |
| Bldg Authority Construction Fund | 2,793,253 | - | 0 | - | - | -100.0% |
| Bond Capital Improvement Fund | - | - | - | - | - | NA |
| Capital Improvement Program Fund | 2,430,306 | 1,170,100 | 2,036,562 | 1,160,803 | 1,160,803 | -43.0% |
| Transfers Out | 5,223,558 | 1,170,100 | 2,036,562 | 1,160,803 | 1,160,803 | -43.0% |
| Total Capital Project Funds | \$ 24,404,850 | \$ 3,281,026 | \$ 40,064,007 | \$ 3,900,128 | \$ 3,900,128 | -90.3% |

Building Authority Construction Capital Project Fund

Fund Statement

| | Year ended December 31, | | | | |
|---|-------------------------|---------------------|-------------------|---------------------|----------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ - | \$ - |
| Investment earnings | 221,712 | 379,911 | - | 158,700 | - |
| Bond Proceeds | 32,000,000 | 6,470,000 | - | - | - |
| Other | 798,703 | 219,007 | 2,500 | 2,500 | - |
| Total Revenues | 33,020,415 | 7,068,918 | 2,500 | 161,200 | - |
| Expenditures: | | | | | |
| Interest and Bond Sale Expense | 356,456 | 67,194 | 81,468 | 2,000 | - |
| Contractual services | - | - | - | - | - |
| Other | - | - | 939,100 | 1,000 | - |
| Capital outlay | 9,635,612 | 8,119,408 | 22,803,388 | 10,371,000 | - |
| Total Expenditures | 9,992,068 | 14,791,678 | 23,823,956 | 10,374,000 | - |
| Excess (deficiency) of revenues over (under) expenditures | 23,028,346 | (7,722,759) | (23,821,456) | (10,212,800) | - |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | (2,132,781) | (2,793,253) | (0) | - | - |
| Total Other Financing Sources (Uses) | (2,132,781) | (2,793,253) | (0) | - | - |
| Net Inc (Dec) in Fund Balance | 20,895,565 | (10,516,012) | (23,821,456) | (10,212,800) | - |
| Fund Balance, beginning of year | 14,324,256 | 35,219,821 | 24,703,809 | 24,703,809 | 14,491,009 |
| Fund Balance, end of year | \$35,219,821 | \$24,703,809 | \$ 882,353 | \$14,491,009 | \$ 14,491,009 |

On May 9, 2007, the Kent County Board of Commissioners issued bonds to finance the construction of a new Human Services Complex on Franklin SE. This facility was opened on June 1, 2009. The new facility houses the State Department of Human Services offices, a County Health Clinic and Area Community Services Employment and Training Council (ACSET) offices.

During fiscal year 2009, the Building Authority appropriated approximately \$29.2 million for construction projects at the Correctional Facility. It is expected these projects will replace 520 beds in the older (1950-1970) sections of the main facility and renovate/expand the kitchen/dining (1963 construction) facilities at Juvenile Detention. Also, the Parks Administration Building project was cancelled/closed out and the remaining \$1.5 million in funding was returned to the County General Fund.

Bond Capital Improvement Capital Project Fund

Fund Statement

| | <i>Year ended December 31,</i> | | | | |
|--|--------------------------------|------------------|------------------|-------------------|------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Charges for services | \$ - | \$ - | \$ - | \$ - | \$ - |
| Investment earnings | 56,081 | 1,441 | - | 300 | - |
| Other | - | - | - | 5,000 | - |
| Total Revenues | 56,081 | 1,441 | - | 5,300 | - |
| Expenditures: | | | | | |
| Other | - | - | - | - | - |
| Capital outlay | 7,896,992 | 145,104 | 644,966 | 64,700 | - |
| Total Expenditures | 7,896,992 | 145,104 | 644,966 | 64,700 | - |
| Excess (deficiency) of revenues over (under) expenditures | (7,840,911) | (143,664) | (644,966) | (59,400) | - |
| Other Financing Sources (Uses): | | | | | |
| Operating transfers in | 1,990,928 | 145,000 | 675,584 | 59,400 | - |
| Operating transfers out | (673,738) | - | - | - | - |
| Total Other Financing Sources (Uses) | 1,317,190 | 145,000 | 675,584 | 59,400 | - |
| Net Inc (Dec) in Fund Balance | (6,523,723) | 1,337 | 30,617 | - | - |
| Fund Balance, beginning of year | 6,545,952 | 22,229 | 23,566 | 23,566 | 23,566 |
| Fund Balance, end of year | \$ 22,229 | \$ 23,566 | \$ 54,183 | \$ 23,566 | \$ 23,566 |

Capital Improvement Program Capital Project Fund Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Taxes | \$ 4,108,167 | \$ 3,200,000 | \$ - | \$ - | \$ - |
| Intergovernmental | 2,208,983 | 126,189 | 5,967,617 | 175,000 | - |
| Reimbursements | 14,580 | 20,500 | 109,050 | - | - |
| Other | 2,116,868 | 3,021,825 | 4,926,374 | 2,500,000 | - |
| Total Revenues | 8,448,598 | 6,368,513 | 11,003,041 | 2,675,000 | - |
| Expenditures: | | | | | |
| Other | - | 227,743 | - | - | - |
| Capital outlay | 4,794,453 | 4,016,767 | 13,558,522 | 4,500,000 | 2,739,325 |
| Total Expenditures | 4,794,453 | 4,244,509 | 13,558,522 | 4,500,000 | 2,739,325 |
| Excess (deficiency) of revenues over (under) expenditures | 3,654,145 | 2,124,004 | (2,555,481) | (1,825,000) | (2,739,325) |
| Other Financing Sources (Uses): | | | | | |
| Operating transfers in | 1,854,651 | 723,297 | 2,986,976 | 2,986,976 | 3,900,128 |
| Operating transfers out | (6,116,063) | (2,430,306) | (2,036,562) | (1,300,000) | (1,160,803) |
| Total Other Financing Sources (Uses) | (4,261,413) | (1,707,008) | 950,414 | 1,686,976 | 2,739,325 |
| Net Inc (Dec) in Fund Balance | (607,268) | 416,996 | (1,605,067) | (138,024) | - |
| Fund Balance, beginning of year | 5,205,750 | 4,598,481 | 5,015,477 | 5,015,477 | 4,877,453 |
| Fund Balance, end of year | \$ 4,598,481 | \$ 5,015,477 | \$ 3,410,410 | \$ 4,877,453 | \$ 4,877,453 |

CIP project budget extension requests are reviewed by the County Administrator/Controller with available budget balances carried forward for those approved projects. The estimated \$4.9 million fund balance is reserved for approved prior year projects that are expected to become part of the Fiscal Year 2012 Amended Budget.

(1) The budgeted Transfer Out to the Debt Service Fund for FY 2012 of \$1,160,803 is summarized on page C-34.

Internal Service Fund

Schedule of Uses of Financial Resources

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | Amended % Change |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Actual | Adopted | Amended | Requested | Adopted | |
| Healthcare/Third Party Adm | \$ 16,617,798 | \$ 17,844,300 | \$ 17,844,300 | \$ 18,033,000 | \$ 18,033,000 | 1.1% |
| Dental Plan | 1,211,706 | 1,237,000 | 1,237,000 | 1,237,500 | 1,237,500 | 0.0% |
| Insurance | 2,158,514 | 1,839,414 | 1,839,414 | 1,727,129 | 1,727,129 | -6.1% |
| Unemployment Comp | 503,520 | 425,000 | 425,000 | 425,000 | 425,000 | 0.0% |
| Workers Comp | 926,471 | 1,030,200 | 1,030,200 | 877,600 | 877,600 | -14.8% |
| Risk Management Fund | 21,418,010 | 22,375,914 | 22,375,914 | 22,300,229 | 22,300,229 | -0.3% |
| Total Internal Service Funds | \$ 21,418,010 | \$ 22,375,914 | \$ 22,375,914 | \$ 22,300,229 | \$ 22,300,229 | -0.3% |

Risk Management Internal Service Fund

Fund Statement

| | Year ended December 31, | | | | |
|--------------------------------|-------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Charges for services | \$ 1,266,891 | \$ 1,093,279 | \$ 900,000 | \$ 900,000 | \$ 1,111,000 |
| Investment earnings | 213,017 | 57,631 | 109,000 | 86,400 | 72,700 |
| Reimbursements | 21,677,490 | 20,827,151 | 19,537,902 | 20,438,900 | 19,251,400 |
| Other | 45,144 | 87,283 | 30,000 | 30,000 | 30,000 |
| Total Revenues | 23,202,542 | 22,065,344 | 20,576,902 | 21,455,300 | 20,465,100 |
| Expenditures: | | | | | |
| Personnel | 357,165 | 665,487 | 591,768 | 467,200 | 593,057 |
| Commodities | 1,557 | 1,318 | 960 | 700 | 640 |
| Contractual services | 20,707,826 | 20,672,804 | 21,718,900 | 21,072,900 | 21,654,500 |
| Other | 80,367 | 78,400 | 64,286 | 64,200 | 52,032 |
| Capital outlay | - | - | - | - | - |
| Total Expenditures | 21,146,914 | 21,418,010 | 22,375,914 | 21,605,000 | 22,300,229 |
| Net Inc (Dec) in Net Assets | 2,055,628 | 647,334 | (1,799,012) | (149,700) | (1,835,129) |
| Net Assets, beginning of year | 4,612,614 | 6,668,243 | 7,315,577 | 7,315,577 | 7,165,877 |
| Net Assets, end of year | \$ 6,668,243 | \$ 7,315,577 | \$ 5,516,565 | \$ 7,165,877 | \$ 5,330,748 |

The Fiscal Year 2012 Adopted Budget projects that fund balances will be spent down by \$1.8 million, this is intentionally designed to bring fund balances to the equivalent of 60-days operating expenses.

Component Unit Funds

Schedule of Uses of Financial Resources

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | Amended % Change |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Adopted | Amended | Requested | Adopted | |
| Act 185 Bond Fund | \$ 638,046 | \$ 642,805 | \$ 642,805 | \$ 646,375 | \$ 646,375 | 0.6% |
| Administration | 718,412 | 1,056,600 | 1,056,600 | 1,015,000 | 1,015,000 | -3.9% |
| Water & Sewer Division | 1,653,520 | 4,431,700 | 4,431,700 | 2,025,150 | 2,025,150 | -54.3% |
| Solid Waste/Landfill Operations | 11,119,268 | 11,305,020 | 11,305,020 | 11,967,011 | 11,967,011 | 5.9% |
| Waste-to Energy Operations | 19,886,533 | 20,669,674 | 20,669,674 | 20,457,938 | 20,457,938 | -1.0% |
| Public Works Funds | 34,015,779 | 38,105,799 | 38,105,799 | 36,111,474 | 36,111,474 | -5.2% |
| Family Services Coordinator | 113,888 | 115,924 | 175,317 | 117,082 | 117,082 | -33.2% |
| Voucher Program | 2,592,051 | 2,633,026 | 4,336,108 | 2,895,820 | 2,895,820 | -33.2% |
| Veterans Voucher Program | 136,470 | 185,580 | 309,428 | 226,536 | 226,536 | -26.8% |
| SRA Community Rebuilders | - | - | - | - | - | NA |
| TRA Community Rebuilders | - | - | - | - | - | NA |
| Dwelling Place | - | - | - | - | - | NA |
| Housing Commission | 2,842,409 | 2,934,530 | 4,820,854 | 3,239,438 | 3,239,438 | -32.8% |
| Total Component Unit Funds | \$36,858,188 | \$41,040,329 | \$42,926,653 | \$39,350,912 | \$39,350,912 | -8.3% |

Public Works Component Unit Fund

Fund Statement

| | <i>Year ended December 31,</i> | | | | |
|--------------------------------|--------------------------------|---------------------|---------------------|---------------------|----------------------|
| | 2009 | 2010 | 2011 | 2011 | 2012 |
| | Audited | Audited | Amended | Estimated | Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 630,829 | \$ 637,044 | \$ 642,805 | \$ 606,900 | \$ 646,375 |
| Charges for services | 35,392,768 | 37,392,310 | 33,266,824 | 33,086,200 | 31,011,538 |
| Investment earnings | 1,377,132 | 267,163 | 946,275 | 406,100 | 538,145 |
| Other | 1,831,579 | 1,653,016 | 3,249,895 | 1,962,700 | 3,915,416 |
| Total Revenues | 39,232,308 | 39,949,533 | 38,105,799 | 36,061,900 | 36,111,474 |
| Expenditures: | | | | | |
| Personnel | 4,412,962 | 4,649,627 | 5,167,670 | 4,835,800 | 5,198,980 |
| Commodities | 145,923 | 177,540 | 182,300 | 150,000 | 197,725 |
| Contractual services | 23,891,985 | 25,041,147 | 29,363,074 | 26,834,600 | 26,966,479 |
| Other | 2,209,982 | 3,200,568 | 2,441,655 | 2,340,800 | 2,746,190 |
| Capital outlay | 646,120 | 946,896 | 923,600 | 629,800 | 974,600 |
| Contingency/Undesignated | - | - | 27,500 | - | 27,500 |
| Total Expenditures | 31,306,972 | 34,015,779 | 38,105,799 | 34,791,000 | 36,111,474 |
| Net Inc (Dec) in Net Assets | 7,925,336 | 5,933,754 | - | 1,270,900 | - |
| Net Assets, beginning of year | 69,580,662 | 77,505,998 | 83,439,752 | 83,439,752 | 84,710,652 |
| Net Assets, end of year | \$77,505,998 | \$83,439,752 | \$83,439,752 | \$84,710,652 | \$ 84,710,652 |

Housing Commission Component Unit Fund

Fund Statement

| | <i>Year ended June 30,</i> | | | | |
|--------------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------------------|-------------------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 2,537,223 | \$ 2,900,520 | \$ 4,720,959 | \$ 3,150,000 | \$ 3,239,438 |
| Investment earnings | 12,588 | 4,960 | - | 5,000 | - |
| Total Revenues | 2,549,811 | 2,905,480 | 4,720,959 | 3,155,000 | 3,239,438 |
| Expenditures: | | | | | |
| Personnel | 270,244 | 258,498 | 537,259 | 240,600 | 286,921 |
| Commodities | 1,241 | 2,788 | 18,922 | 5,500 | 24,000 |
| Contractual services | 2,369,253 | 2,580,813 | 4,252,232 | 2,969,100 | 2,925,891 |
| Capital outlay | 2,414 | 309 | 2,964 | 600 | 2,626 |
| Total Expenditures | 2,643,152 | 2,842,409 | 4,820,854 | 3,215,800 | 3,239,438 |
| Net Inc (Dec) in Net Assets | (93,341) | 63,071 | (99,900) | (60,800) | - |
| Net Assets, beginning of year | 743,795 | 650,454 | 713,526 | 713,526 | 652,726 |
| Net Assets, end of year | \$ 650,454 | \$ 713,526 | \$ 613,626 | \$ 652,726 | \$ 652,726 |

Proprietary Funds

Schedule of Uses of Financial Resources

| Program Descriptions | FY 2010 | FY 2011 | | FY 2012 | | Amended % Change |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Actual | Adopted | Amended | Requested | Adopted | |
| Airfield | \$ 7,045,440 | \$ 7,167,927 | \$ 7,167,927 | \$ 7,549,569 | \$ 7,549,569 | 5.3% |
| Other Lands & Buildings | 366,264 | 409,020 | 409,020 | 401,810 | 401,810 | -1.8% |
| General Aviation | 480,939 | 518,075 | 518,075 | 483,765 | 483,765 | -6.6% |
| Dispatch Oper & Safety | 6,809,526 | 6,707,921 | 6,707,921 | 7,237,219 | 7,237,219 | 7.9% |
| Building Security | 1,421,774 | 1,590,566 | 1,590,566 | 1,504,088 | 1,504,088 | -5.4% |
| General Maintenance | 2,709,931 | 2,818,614 | 2,818,614 | 2,980,083 | 2,980,083 | 5.7% |
| Administration | 4,404,889 | 4,073,392 | 4,073,392 | 4,205,429 | 4,205,429 | 3.2% |
| Air Cargo | 1,112,094 | 1,172,595 | 1,172,595 | 1,146,825 | 1,146,825 | -2.2% |
| Parking | 9,730,902 | 9,555,719 | 9,555,719 | 9,059,872 | 9,059,872 | -5.2% |
| Debt Service 1996 | 9,147,189 | 8,984,000 | 8,984,000 | 8,817,000 | 8,817,000 | -1.9% |
| Debt Service 1998 | - | - | - | - | - | NA |
| Aeronautics Fund | 43,228,948 | 42,997,829 | 42,997,829 | 43,385,660 | 43,385,660 | 0.9% |
| Delinquent Tax Fund | 1,167,243 | 1,749,250 | 1,769,695 | 1,575,700 | 1,575,700 | -11.0% |
| Proprietary Funds before Transfer | 44,396,191 | 44,747,079 | 44,767,524 | 44,961,360 | 44,961,360 | 0.4% |
| Delinquent Tax Fund | 5,146,795 | 5,000,000 | 5,000,000 | 5,092,000 | 5,092,000 | 1.8% |
| Transfers Out | 5,146,795 | 5,000,000 | 5,000,000 | 5,092,000 | 5,092,000 | 1.8% |
| Total Proprietary Funds | \$ 49,542,986 | \$ 49,747,079 | \$ 49,767,524 | \$ 50,053,360 | \$ 50,053,360 | 0.6% |

Aeronautics Proprietary Fund

Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|----------------------|----------------------|----------------------|-----------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Intergovernmental | \$ 2,164,002 | \$ 5,726,827 | \$ 4,000,000 | \$ 3,500,000 | \$ 4,700,000 |
| Charges for services | 16,906,158 | 23,047,011 | 21,141,882 | 22,378,800 | 24,237,876 |
| Fines & Forfeitures | 7,446 | 2,649 | 5,000 | 1,000 | 5,000 |
| Investment earnings | 428,770 | 147,823 | 235,550 | 145,300 | 155,000 |
| Reimbursements | 1,164,517 | 1,125,816 | 160,000 | 100,000 | 160,000 |
| Other | 12,665,258 | 13,707,403 | 12,966,259 | 12,510,100 | 14,127,784 |
| Total Revenues | 33,336,151 | 43,757,530 | 38,508,691 | 38,635,200 | 43,385,660 |
| Expenditures: | | | | | |
| Personnel | 8,587,431 | 8,925,322 | 9,053,597 | 8,498,800 | 8,628,928 |
| Commodities | 432,496 | 471,905 | 502,874 | 479,500 | 546,953 |
| Contractual services | 7,094,444 | 7,516,450 | 7,529,978 | 6,354,000 | 6,983,291 |
| Other | 5,033,822 | 10,217,277 | 9,871,540 | 9,446,100 | 10,651,607 |
| Capital outlay | 173,843 | 89,433 | 237,700 | 222,300 | 290,820 |
| Contingency/Undesignated | - | - | - | - | 32,341 |
| Total Expenditures | 21,322,037 | 27,220,388 | 27,195,689 | 25,000,700 | 27,133,940 |
| Net Income (Loss) before Depreciation | 12,014,114 | 16,537,142 | 11,313,002 | 13,634,500 | 16,251,720 |
| Depreciation | (11,555,406) | (16,008,560) | (15,802,140) | (15,802,100) | (16,251,720) |
| Net Assets, beginning of year | 186,605,220 | 187,063,929 | 187,592,510 | 187,592,510 | 185,424,910 |
| Net Assets, end of year | \$187,063,929 | \$187,592,510 | \$183,103,372 | \$185,424,910 | \$ 185,424,910 |

Delinquent Tax Revolving Proprietary Fund

Fund Statement

| | Year ended December 31, | | | | |
|--|-------------------------|---------------------|---------------------|---------------------|----------------------|
| | 2009 Audited | 2010 Audited | 2011 Amended | 2011 Estimated | 2012 Adopted |
| Revenues: | | | | | |
| Taxes | \$ 6,144,335 | \$ 6,236,700 | \$ 4,603,000 | \$ 4,600,000 | \$ 4,711,000 |
| Charges for services | 714,027 | 645,494 | 652,500 | 652,500 | 791,000 |
| Investment earnings | 1,099,216 | 24,185 | 401,500 | 174,000 | 323,700 |
| Total Revenues | 7,957,577 | 6,906,379 | 5,657,000 | 5,426,500 | 5,825,700 |
| Expenditures: | | | | | |
| Commodities | 75,394 | 64,903 | 118,000 | 114,100 | 121,000 |
| Contractual services | 515,672 | 484,388 | 646,500 | 464,800 | 708,450 |
| Other | 1,502,352 | 617,952 | 1,005,195 | 744,800 | 746,250 |
| Capital outlay | - | - | - | - | - |
| Total Expenditures | 2,093,417 | 1,167,243 | 1,769,695 | 1,323,700 | 1,575,700 |
| Excess (deficiency) of revenues over (under) expenditures | 5,864,160 | 5,739,136 | 3,887,305 | 4,102,800 | 4,250,000 |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | (3,500,000) | (5,146,795) | (5,000,000) | (5,000,000) | (5,092,000) |
| Total Other Financing Sources (Uses) | (3,500,000) | (5,146,795) | (5,000,000) | (5,000,000) | (5,092,000) |
| Net Inc (Dec) in Net Assets | 2,364,160 | 592,341 | (1,112,695) | (897,200) | (842,000) |
| Net Assets, beginning of year | 14,420,786 | 16,784,946 | 17,377,287 | 17,377,287 | 16,480,087 |
| Net Assets, end of year | \$16,784,946 | \$17,377,287 | \$16,264,592 | \$16,480,087 | \$ 15,638,087 |

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Introduction to Department Summaries

This section provides an overview of County departments and programs, including a description, a three-year history of uses and budgeted personnel which is rounded to the nearest tenth decimal point, discussion of any significant budget issues, and significant accomplishments where applicable. Mission statements, goals, and performance measures are also included for each County department.

Departmental revenue and expenditure (use) data reflects all funds managed by the department, presenting a composite picture of the department’s operations, including general operation as well as activities accounted for through a Special Revenue or Internal Service Fund. Excluded from the departmental history are capital projects costing more than \$25,000. These activities are reported in the Capital Improvement Program in the Capital Section. The revenues reported in the department’s budget include revenues directly attributed to departmental activity which include Intergovernmental revenue (e.g., grants from the state or federal governments) to support specific programs, licenses issued by the department, or fees and charges assessed by the department.

The departmental overviews are organized by functional area (i.e., Community & Economic Development, Cultural & Recreational, Debt Service, Enterprise, General Government, Health & Welfare, Judicial, Public Safety, and Other). The “Functional Area at a Glance” pages at the beginning of each section provide an overview of the functional area in relation to the County budget as a whole and a summary of uses by fund type and department for the functional area. Strategic goals and short-term tactical objectives by department adopted by the Board of Commissioners on January 26, 2006, have been added to the beginning of each functional area. The pages also provide a summary of the history of uses and budgeted personnel (2012 personnel is as of December 31, 2011) for the department and programs within the functional area. (The overall strategic goals for the organization can be found on pages B-16 through B-21 of the Budget Overview section under Strategic Planning and Budgeting. This section also contains updated information since 2006 including Kent County’s Vision for 2020.) A detailed overview of each of the programs and departments within the functional area follows. Information on the Capital functional area follows as a separate section.

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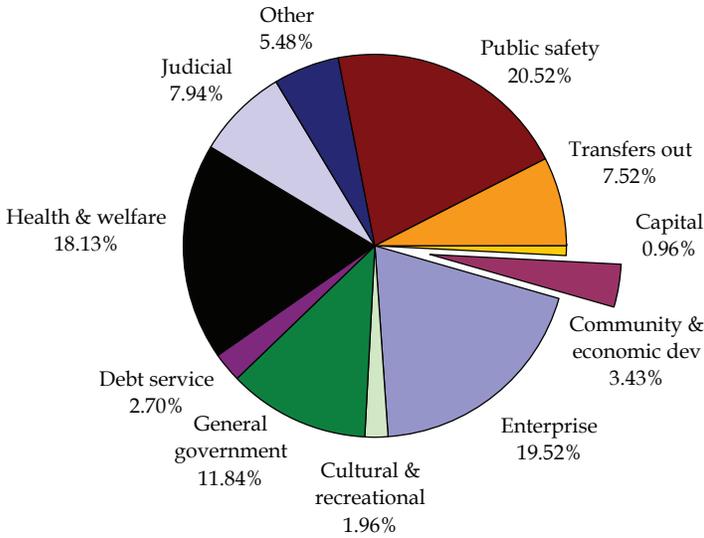
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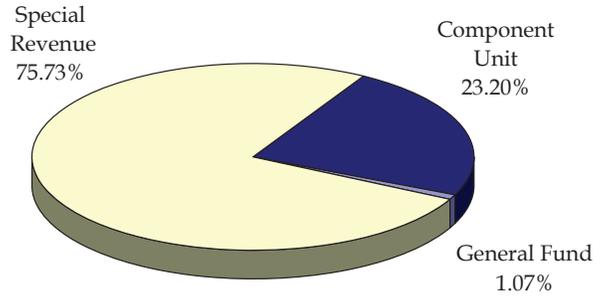
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Community & Economic Development Functional Area at a Glance

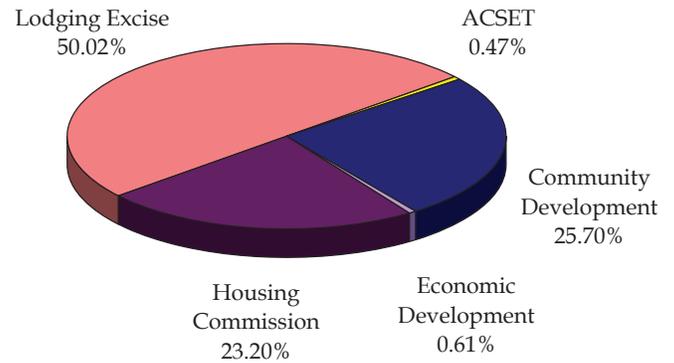
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$13,963,323



2012 Functional Area Uses by Department



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Fund Type

| Fund Type | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| General Fund | | | | | | |
| ACSET | \$ 65,000 | \$ 65,000 | \$ - | \$ 65,000 | \$ 65,000 | NA |
| Economic Development | 472,013 | 85,000 | 85,000 | 85,000 | 85,000 | 0.00% |
| Total General Fund | 537,013 | 150,000 | 85,000 | 150,000 | 150,000 | 76.47% |
| Component Unit Funds | | | | | | |
| Housing Commission | 2,643,152 | 2,842,409 | 2,934,530 | 3,239,438 | 3,239,438 | 10.39% |
| Total Component Unit Funds | 2,643,152 | 2,842,409 | 2,934,530 | 3,239,438 | 3,239,438 | 10.39% |
| Special Revenue Funds | | | | | | |
| Community Development | 3,102,218 | 6,040,519 | 3,762,088 | 3,589,129 | 3,589,129 | -4.60% |
| Lodging Excise Tax | 5,922,882 | 6,431,358 | 6,665,537 | 6,984,756 | 6,984,756 | 4.79% |
| Total Special Revenue Funds | 9,025,100 | 12,471,878 | 10,427,625 | 10,573,885 | 10,573,885 | 1.40% |
| Total | \$ 12,205,264 | \$ 15,464,286 | \$ 13,447,155 | \$ 13,963,323 | \$ 13,963,323 | 3.84% |

Functional Area History of Uses by Department

| Department | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Community Development | \$ 3,102,218 | \$ 6,040,519 | \$ 3,762,088 | \$ 3,589,129 | \$ 3,589,129 | -4.60% |
| Housing Commission | 2,643,152 | 2,842,409 | 2,934,530 | 3,239,438 | 3,239,438 | 10.39% |
| Non-Departmental | | | | | | |
| ACSET | 65,000 | 65,000 | - | 65,000 | 65,000 | NA |
| Economic Development | 472,013 | 85,000 | 85,000 | 85,000 | 85,000 | 0.00% |
| Lodging Excise Tax | 5,922,882 | 6,431,358 | 6,665,537 | 6,984,756 | 6,984,756 | 4.79% |
| Total Uses | \$ 12,205,264 | \$ 15,464,286 | \$ 13,447,155 | \$ 13,963,323 | \$ 13,963,323 | 3.84% |

Functional Area History of Uses by Category

| Category | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Personnel | \$ 797,522 | \$ 860,832 | \$ 797,120 | \$ 742,908 | \$ 742,908 | -6.80% |
| Commodities | 19,021 | 17,572 | 29,700 | 39,109 | 39,109 | 31.68% |
| Contractual Services | 6,438,825 | 9,073,033 | 6,886,731 | 7,256,008 | 7,256,008 | 5.36% |
| Capital Outlay | 18,225 | 6,040 | 4,626 | 2,626 | 2,626 | -43.23% |
| Other Charges | 4,931,671 | 5,506,808 | 5,728,978 | 5,922,672 | 5,922,672 | 3.38% |
| Transfers Out | - | - | - | - | - | NA |
| Total Uses | \$ 12,205,264 | \$ 15,464,286 | \$ 13,447,155 | \$ 13,963,323 | \$ 13,963,323 | 3.84% |

| | | | | | |
|----------------------|----|----|----|------|------|
| Personnel FTE | 11 | 13 | 13 | 13.5 | 13.5 |
|----------------------|----|----|----|------|------|

Strategic Goals

- Maintain/enhance partnerships and relationships that support the Mission of Kent County
- Diversify sources of revenue

County Core Priorities

To provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all Kent County citizens by:

- Maintaining current and future financial stability
- Increasing influence on legislative changes
- Maintaining and developing facilities, infrastructure, and programs
- Providing timely, professional, and effective customer service
- Providing safe and healthy communities, enhancing the quality of life in Kent County
- Enhancing work environment, encouraging creativity and innovation
- Promoting open intergovernmental and public relations

Short-Term Tactical Objectives (by Department)

- **Community Development:** develop partnerships with community-based organizations to construct or rehab more single-family homes; increase program income by increasing amount of loans made for rehabilitation (vs. grants); provide more educational programming for prospective home owners; pursue opportunities to contract with outside vendors for rehabilitation work to reduce cost of operations; continue to collaborate and fund projects for local units of government and non-profit partners
- **Housing Commission:** increase the number of housing choice vouchers available to veterans and the disabled; increase the number of clients participating in the Family Self Sufficiency program

Community Development

82 Ionia Avenue NW - Suite 390, Grand Rapids, Michigan 49503

Phone: (616) 632-7400 Fax: (616) 632-7405

Mission

To develop viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Overview

The Community Development Department implements the federal Community Development Block Grant (CDBG) program in all Kent County communities except Grand Rapids and Wyoming. Funds are distributed from the federal government to the County on a formula basis. The formula considers extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relation to other metropolitan areas.

The Community Development Department awards funding to local projects based on the following requirements: 1) meets a need identified in an established action plan; 2) not less than 70% of funds must be used for activities that benefit low and moderate income persons; and 3) the activity meets one of the CDBG national objectives (i.e., benefits low and moderate income persons, prevention or elimination of slums or blight, or a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community).

Community Development is also responsible for the implementation of three (3) additional programs. These include: the Shelter Plus Care (S+C) program, which contracts with non-profit housing corporations to provide rental units as permanent housing for homeless individuals; the HOME Investment Partnership program provides funding for rehab and new construction of single and multi-family units for low and moderate income families earning 80 percent of Area Median Income. The Homeless Prevention Rapid Re-Housing program (HPRP) is designed to provide rental assistance for a period not to exceed 12 months to ensure homeless families and families at risk of homelessness are adequately housed. This program also provides wrap-around services.

Strategic Goals

Strategic issues for the Department include:

- Maintain/enhance partnerships and relationships that support the mission of Kent County government; and
- Diversify sources of revenue.

Operational Goals

- To provide cost-effective timely service to the 33 funded local units of government and County departments receiving Community Development Block Grant funds
- Provide and implement HUD mandated oversight for participating non-profit corporations

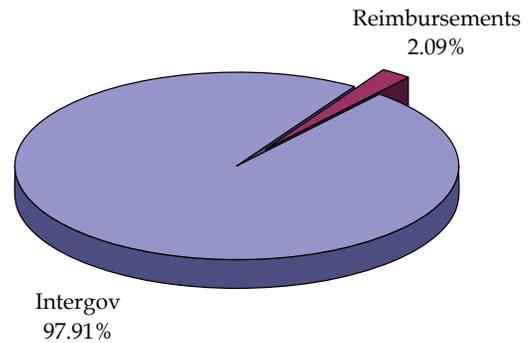
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|-------------|---------|----------|---------------|
| Outcome: | | | | |
| Percent of HUD mandated expenditures for Local Units of Government, Non-Profit agencies and County Departments | 100.00% | 100.00% | 100.00% | 98.00% |
| Accuracy of Program Financial Reporting | NA | NA | 100.00% | 100.00% |
| Output: | | | | |
| Number of Rehab projects completed by end of fiscal year. | 342 | 412 | 347 | 350 |
| Efficiency: | | | | |
| Cost per completed rehab project | \$24,999.00 | NA | \$520.00 | NA |
| Effectiveness: | | | | |
| Overall satisfaction of participating non-profits | NA | NA | 78.00% | 85.00% |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| Community Development | | | | |
| Intergovernmental | \$3,114,405 | \$5,177,887 | \$3,687,088 | \$3,514,129 |
| Reimbursements | 119,849 | 869,754 | 75,000 | 75,000 |
| Other Revenue | - | 215 | - | - |
| Total Revenue | \$3,234,254 | \$6,047,857 | \$3,762,088 | \$3,589,129 |

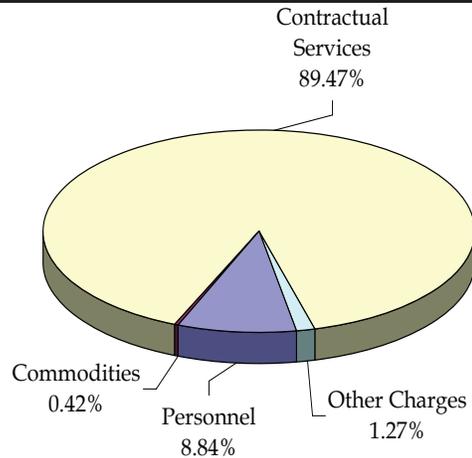
**2012 Adopted Revenues
\$3,589,129**



Department Expenditures by Category

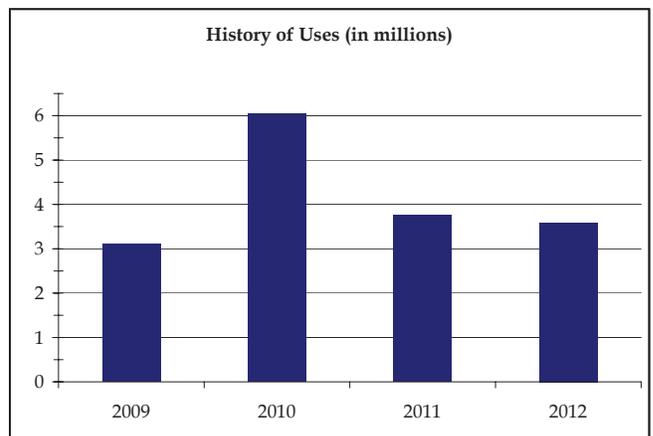
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| Community Development | | | | |
| Personnel | \$ 386,595 | \$ 463,019 | \$ 353,880 | \$ 317,439 |
| Commodities | 17,429 | 14,577 | 12,500 | 14,909 |
| Contractual Services | 2,618,760 | 5,503,913 | 3,348,019 | 3,211,091 |
| Capital Outlay | 15,811 | 5,731 | 2,000 | - |
| Other | 63,622 | 53,279 | 45,689 | 45,690 |
| Total Uses | \$3,102,218 | \$6,040,519 | \$3,762,088 | \$3,589,129 |
| Personnel FTE | 6 | 8 | 8 | 8 |

**2012 Adopted Uses
\$3,589,129**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Administration | \$ 307,934 | \$ 327,032 | \$ 351,651 | \$ 295,584 |
| Local Gov't Allocation | 1,111,240 | 676,365 | 854,039 | 683,537 |
| Housing Rehab | 461,064 | 550,855 | 552,566 | 498,798 |
| NSP | 29,739 | 3,288,963 | - | - |
| CDBG - Recovery | - | 51,440 | - | - |
| HPRP | - | 135,626 | - | - |
| HOME | 240,271 | 86,684 | 660,972 | 802,934 |
| ADDI | 2,089 | 910 | - | - |
| Shelter Plus Care | 949,881 | 922,644 | 1,342,860 | 1,308,276 |
| Total | \$3,102,218 | \$6,040,519 | \$3,762,088 | \$3,589,129 |



Significant Accomplishments

- Successfully implemented the Neighborhood Stabilization Program. Kent County has been commended by HUD as the second highest performer in the State of Michigan.
- The department has implemented additional programs with limited resources and without significant increase in administrative cost.

Housing Commission

82 Ionia Avenue NW - Suite 390, Grand Rapids, Michigan 49503

Phone: (616) 632-7400 Fax: (616) 632-7405

Mission

To eliminate housing conditions which are detrimental to the public peace, health, safety and/or welfare, principally for the benefit of persons of low income.

Overview

The Kent County Housing Commission provides rental assistance to extremely-low and very-low income families outside of the cities of Grand Rapids, Wyoming, and Rockford, which have their own housing commissions. The Commission issues and administers Section 8 Housing Choice Rental Assistance Vouchers provided by the United States Department of Housing and Urban Development. After qualifying applicants for the program, Commission staff educates and prepares applicants, assists voucher holders with locating suitable housing, inspects rental units, and reviews lease agreements. They also provide education about the need for affordable housing to property owners and communities, facilitate the construction of new housing, and work with other housing providers in Kent County.

Strategic Goals

Strategic issues for the Department include:

- Maintain/enhance partnerships and relationships that support the mission of Kent County government; and
- Diversify sources of revenue.

As a part of the Section 8 Housing Choice Voucher program, the Housing Commission also operates a Family Self-Sufficiency (FSS) program. FSS aims to move participants from welfare to work by helping families identify barriers to employment and set goals (with time-frames) detailing the steps that families will take to obtain the assistance needed to acquire and retain employment.

Goals

- Provide safe, affordable and decent rental units for the Section 8 Housing Choice Voucher clients
- Move participating families from welfare to work (Mandated by HUD)

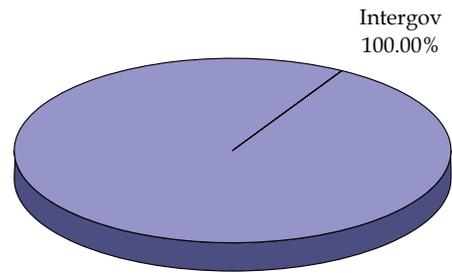
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------|-------------|-------------|---------------|
| Outcome: | | | | |
| Administered voucher percentage | 97.00% | 93.00% | 95.00% | 100.00% |
| Percentage of income verification | 100.00% | 100.00% | 100.00% | 100.00% |
| Percentage of score for indicator completion | 100.00% | 99.00% | 99.00% | 100.00% |
| Percent of clients enrolled in educational programs | 18.00% | 19.00% | 34.00% | 15.00% |
| Percent of participants in (slots full) programs | 100.00% | 80.00% | 71.00% | 100.00% |
| Percentage of individuals attending financial literacy classes | 10.00% | 8.00% | 18.00% | 10.00% |
| Percentage of those attending Homeownership classes | 5.00% | 8.00% | 21.00% | 5.00% |
| Efficiency: | | | | |
| Cost of education and training per client trained | NA | \$ 1,435.00 | \$ 1,633.00 | \$ 1,160.00 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| Housing Commission | | | | |
| Intergovernmental | \$2,537,223 | \$2,900,520 | \$2,934,530 | \$3,239,438 |
| Investment Earnings | 12,588 | 4,960 | - | - |
| Total Revenue | \$2,549,811 | \$2,905,480 | \$2,934,530 | \$3,239,438 |

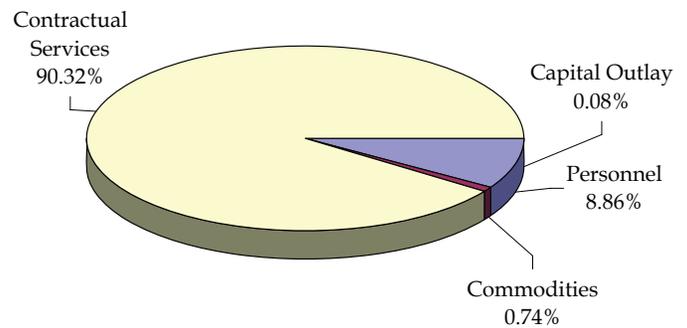
**2012 Adopted Revenues
\$3,239,438**



Department Expenditures by Category

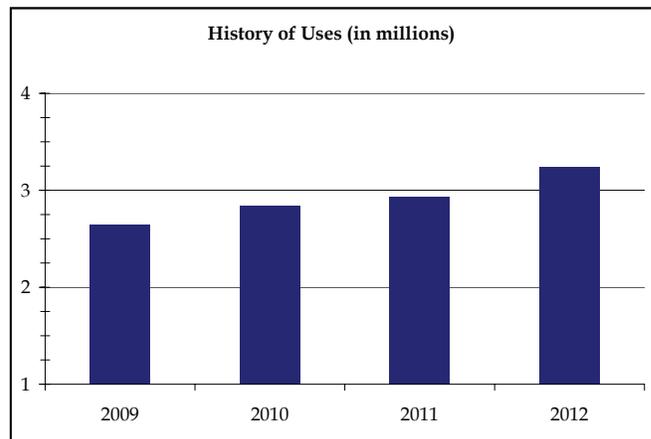
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| Housing Commission | | | | |
| Personnel | \$ 270,244 | \$ 258,498 | \$ 293,752 | \$ 286,921 |
| Commodities | 1,241 | 2,788 | 17,000 | 24,000 |
| Contractual | 2,369,253 | 2,580,813 | 2,621,152 | 2,925,891 |
| Operating Capital | 2,414 | 309 | 2,626 | 2,626 |
| Other Expense | - | - | - | - |
| Total Uses | \$2,643,152 | \$2,842,409 | \$2,934,530 | \$3,239,438 |
| Personnel FTE | 3 | 3 | 3 | 3.5 |

**2012 Adopted Uses
\$3,239,438**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Family Svs Coordinator | \$ 113,433 | \$ 113,888 | \$ 115,924 | \$ 117,082 |
| Voucher Program | 2,529,719 | 2,592,051 | 2,633,026 | 2,895,820 |
| Veterans Vouchers | - | 136,470 | 185,580 | 226,536 |
| Total | \$2,643,152 | \$2,842,409 | \$2,934,530 | \$3,239,438 |



Significant Budget Issues

A Community Resources Specialist was part-time in 2011, but became full-time in 2012.

Non-Departmental

Lodging Excise Tax Uses

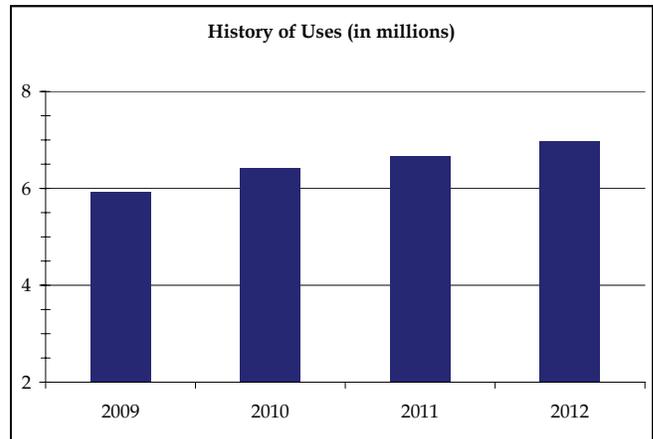
This budget is used to account for proceeds associated with the Lodging Excise tax, commonly referred to as the Hotel-Motel Tax, which is levied upon hotel and other room rentals in the County. It is overseen by the County Treasurer and may only be used for expenses incurred in promoting Kent County and maintaining, acquiring, or constructing its public convention and entertainment facilities. The Board of Commissioners has allocated most of the transient tax revenue to debt service payments on DeVos Place Convention Center; portions have also been allocated to the John Ball Zoo Society, Experience Grand Rapids, and the West Michigan Sports Commission.



DeVos Place

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| Lodging Excise Tax Fund | | | | |
| Personnel | \$ 140,683 | \$ 139,315 | \$ 149,488 | \$ 138,548 |
| Commodities | 351 | 206 | 200 | 200 |
| Contractual Services | 913,798 | 838,307 | 832,560 | 969,026 |
| Other Charges | 4,868,049 | 5,453,530 | 5,683,289 | 5,876,982 |
| Total Uses | \$5,922,882 | \$6,431,358 | \$6,665,537 | \$6,984,756 |
| Personnel FTE | 2 | 2 | 2 | 2 |



Significant Budget Issues

The County levies a Lodging Excise Tax fee in the amount of 5% on hotel/motel facilities in the County. This tax levy has been imposed since the late 1970's.

Because funding commitments from the Hotel/Motel Tax continue to exceed revenues, for the 2012 budget it is proposed that General Fund dollars be used to subsidize this fund, which is something that has been done since 2009. The recommendation for 2012 is to provide that Hotel/Motel tax funds be used for debt retirement for the bond issues on the Convention Center (\$5.45 million for the Series 2001 Bonds and \$390,263 for the Series 2003 Bonds); an estimated \$854,594 to Experience Grand Rapids (Convention & Visitors Bureau), which is 14.5 percent of estimated hotel/motel tax proceeds; \$10,000 for the Arts Festival; and the \$100,000 contribution to the Sports Commission.

Area Community Services Employment and Training Council (ACSET)

The Area Community Services Employment and Training Council was created pursuant to an inter-local agreement between Kent County and the City of Grand Rapids. The agreement specifies representation and financial obligations for services and programs. Services of the Council are primarily funded through federal block grants to the State which are passed on to local councils. For Kent County residents, services include intake and assessment, crisis intervention, home weatherization and energy services, senior services, housing/homelessness services, USDA surplus commodity distribution, information and referral and certain translation assistance. Employment and training programs are also available through the Council to Kent and Allegan County residents.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|------------------|------------------|-----------------|------------------|
| General Fund | | | | |
| Contractual Services | \$ 65,000 | \$ 65,000 | \$ - | \$ 65,000 |
| Total Uses | \$ 65,000 | \$ 65,000 | \$ - | \$ 65,000 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

The County's contribution to ACSET for FY 2011 was waived as a result of the agency having received additional funding through the federal government's stimulus package. This was a one-time, one-year reduction. Funding is restored in the 2012 budget.

Economic Development

The Right Place Program, created in 1985 as a partnership of the City of Grand Rapids, the Greater Grand Rapids Chamber of Commerce, Kent County and others, conducts various economic development activities on behalf of its members. The County formally set its current contribution level in March 2004.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|-------------------|------------------|------------------|------------------|
| General Fund | | | | |
| Contractual Services: | | | | |
| Right Place | \$ 80,000 | \$ 85,000 | \$ 85,000 | \$ 85,000 |
| CAA Bonds | 392,013 | - | - | - |
| Total Uses | \$ 472,013 | \$ 85,000 | \$ 85,000 | \$ 85,000 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

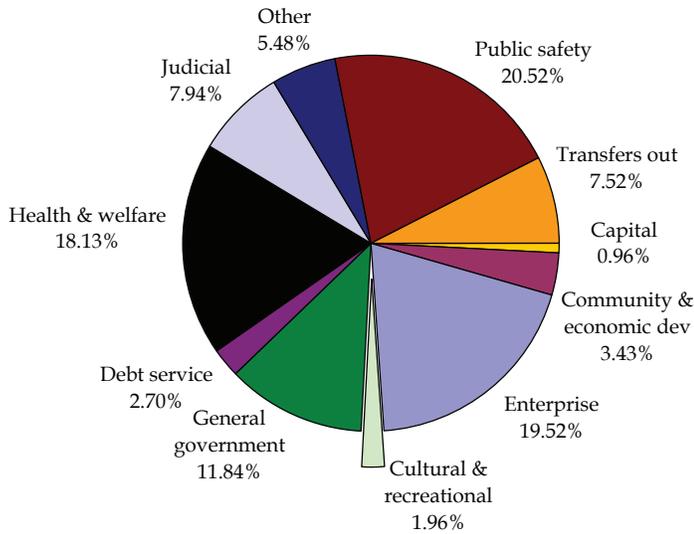
The Right Place Program which was created in 1985 as a public-private partnership to "promote wealth creation and economic growth in the areas of quality employment, productivity, and innovation in West Michigan by developing jobs through leading business retention, expansion, and attraction efforts." The County has been a partner in this effort since 1985, with the exception of 1990-1995.

In 2008 and 2009, the County also paid debt service on Series 2003 bonds issued for the construction of the DeVos Place Convention Center from this budget. In 2010, these bonds were moved back to the Lodging Excise Tax Fund, where they were previously paid.

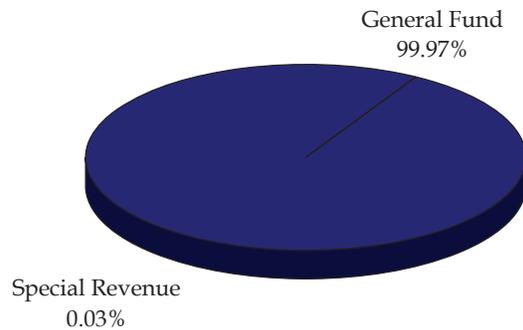
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Cultural & Recreational Functional Area at a Glance

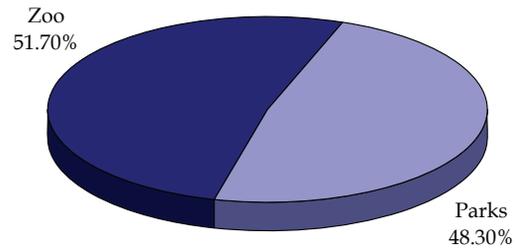
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$7,995,783



2012 Functional Area Uses by Department



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Fund Type

| Fund Type | 2009 | 2010 | 2011 | 2012 | 2012 | Adopted % Change |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted | Requested | Adopted | |
| General Fund | | | | | | |
| Parks | \$ 4,302,352 | \$ 3,695,206 | \$ 3,864,019 | \$ 4,151,646 | \$ 3,860,223 | -0.10% |
| John Ball Zoo | 4,122,373 | 3,809,461 | 4,053,600 | 4,219,299 | 4,133,560 | 1.97% |
| Total General Fund | 8,424,725 | 7,504,667 | 7,917,619 | 8,370,945 | 7,993,783 | 0.96% |
| Special Revenue Funds | | | | | | |
| Parks | 308,604 | 76,456 | - | 2,000 | 2,000 | NA |
| John Ball Zoo | - | - | - | - | - | NA |
| Total Special Revenue Funds | 308,604 | 76,456 | - | 2,000 | 2,000 | NA |
| Total | \$ 8,733,329 | \$ 7,581,123 | \$ 7,917,619 | \$ 8,372,945 | \$ 7,995,783 | 0.99% |

Functional Area History of Uses by Department

| Department | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Parks | \$ 4,610,956 | \$ 3,771,662 | \$ 3,864,019 | \$ 4,153,646 | \$ 3,862,223 | -0.05% |
| John Ball Zoo | 4,122,373 | 3,809,461 | 4,053,600 | 4,219,299 | 4,133,560 | 1.97% |
| Total Uses | \$ 8,733,329 | \$ 7,581,123 | \$ 7,917,619 | \$ 8,372,945 | \$ 7,995,783 | 0.99% |

Functional Area History of Uses by Category

| Category | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Personnel | \$ 5,059,140 | \$ 4,769,823 | \$ 5,184,033 | \$ 5,238,950 | \$ 5,227,059 | 0.83% |
| Commodities | 590,679 | 507,381 | 575,490 | 593,481 | 590,437 | 2.60% |
| Contractual Services | 2,662,717 | 2,065,009 | 1,949,080 | 2,204,976 | 2,024,176 | 3.85% |
| Capital Outlay | 420,794 | 238,911 | 209,016 | 335,538 | 154,111 | -26.27% |
| Other Charges | - | - | - | - | - | NA |
| Transfers Out | - | - | - | - | - | NA |
| Total Uses | \$ 8,733,329 | \$ 7,581,123 | \$ 7,917,619 | \$ 8,372,945 | \$ 7,995,783 | 0.99% |

| | | | | | |
|----------------------|-----|------|-----|-----|-------|
| Personnel FTE | 114 | 99.8 | 103 | 103 | 102.5 |
|----------------------|-----|------|-----|-----|-------|

Strategic Goals

- Diversify funding sources – become more self-supporting
- Achieve a complete make-over of the zoo program and infrastructure within next ten (10) years
- Adopt a governing structure for the zoo that reduces County involvement in operations
- Achieve position as a provider of preferred recreation attractions in the Grand Rapids area
- Provide a comprehensive array of park experiences to the county population that meets/exceeds community expectations

County Core Priorities

To provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all Kent County citizens by:

- Maintaining current and future financial stability
- Increasing influence on legislative changes
- Maintaining and developing facilities, infrastructure, and programs
- Providing timely, professional, and effective customer service
- Providing safe and healthy communities, enhancing the quality of life in Kent County
- Enhancing work environment, encouraging creativity and innovation
- Promoting open intergovernmental and public relations

Short-Term Tactical Objectives (by Department)

- **John Ball Zoo:** formally improve exhibits, amenities, infrastructure, revenue sources, and presence in the community over next five (5) years; achieve a dominant position in local, state, national, and international conservation and research programs for zoological activities of its size; provide pre-eminent outreach and on site educational experiences
- **Parks Department:** maintain and renovate the existing parks to achieve a level of quality consistent with users' expectations; continue to implement the master plan of land acquisition; analyze, recommend, and obtain approval of a sustaining maintenance and operations budget that meets customer expectations; develop programming that increases usage and revenue

Parks Department

1700 Butterworth Drive SW, Grand Rapids, Michigan 49534-7065
Phone: (616) 336-7275 Fax: (616) 336-2998

Mission

The Kent County Parks Department will enhance the quality of life in Kent County by establishing and maintaining outstanding parks to meet the needs of the county's growing population. The department will efficiently provide recognized recreational, environmental, and social benefits. This will be accomplished through adherence to high standards and coordination with individuals and organizations.

Overview

The Parks Department manages over 6,700 acres of land in 42 properties and trails, offering a wide range of recreational opportunities. Family and corporate picnicking, swimming, hiking, cross-country skiing, and golf at our four-star golf course are just a few of the activities available in County parks. In addition, the Department operates a 98 site campground at Wabasis Park.

One significant ongoing project is Millennium Park. Acquiring and developing this 1,500 acre park is a multi-year endeavor, reclaiming lands once used for gravel and gypsum mining, oil production, and waste disposal. The completed recreation core features a popular beach and splashpad, with opportunities for fishing, picnicking, volleyball and basketball.

The department now is nearing completion of an ambitious project to develop and improve an extensive, privately funded network of trails within the park.

To meet the goal set by the Board of Commissioners of a 7,500 acre park system, the Parks Department also seeks to strategically acquire and protect greenspace to meet the recreational needs of future generations, as current funding permits. The current emphasis in land acquisition is on expanding existing parks, particularly where population growth is expected to lead to increased demands for recreational opportunities. The department also holds undeveloped greenspace for a few new parks planned for eventual development in underserved areas of the county.

Strategic Plan

Strategic issues for the Department include:

- Provide a comprehensive array of park experiences to the county population that meets/exceeds community expectations;
- Diversify funding sources - become more self-supporting; and
- Achieve position as a provider of preferred recreation attractions in the Grand Rapids area.

Operational Goals

- Develop and enhance park and trail facilities to enhance the diversity and quality of recreational opportunities
- Acquire parklands, green spaces and trail corridors to address the current and future needs of the community
- Protect the quality and sustainability of the Kent County Parks system by continuing to increase and diversify funding sources.
- Provide a quality 18-hole golf course for the general public
- Efficiently provide a range of enjoyable recreational opportunities at Millennium Park that are easily accessible to the general public



Millennium Park Beach

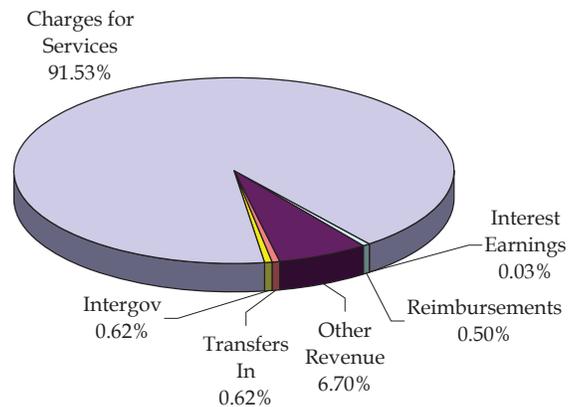
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|-------------|-------------|-------------|---------------|
| Output: | | | | |
| Number of in-house construction or restoration projects completed | 7 | 7 | 8 | 5 |
| Acres of parkland or green space acquired per year | 0.00 | 0.15 | 10.44 | 0.00 |
| Number of project collaborations with outside agencies or organizations. | 9 | 13 | 13 | 6 |
| Total revenues earned to support operations and management | \$1,483,709 | \$1,470,868 | \$1,582,327 | \$1,595,688 |
| Efficiency: | | | | |
| Percent of operations and management expenditures funded through sources other than the general fund | 34.22% | 39.80% | 42.17% | 41.34% |
| Revenues earned per dollar of expense (Kaufman Golf Course) | \$1.04 | \$1.19 | \$1.06 | \$1.05 |
| Revenues earned per dollar of expense (Millennium Park) | \$0.53 | \$0.68 | \$0.79 | \$0.52 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Intergovernmental | \$ 21,465 | \$ - | \$ - | \$ - |
| Charges for Services | 1,301,119 | 1,398,066 | 1,503,000 | 1,479,370 |
| Reimbursements | (0) | 7,738 | 9,385 | 8,113 |
| Other | 153,390 | 64,641 | 76,880 | 108,205 |
| Total General Fund | \$1,475,974 | \$1,470,445 | \$1,589,265 | \$1,595,688 |
| Other Funds | | | | |
| Special Projects | 133,949 | 44,372 | 13,250 | 20,500 |
| Total Revenue | \$1,609,922 | \$1,514,817 | \$1,602,515 | \$1,616,188 |

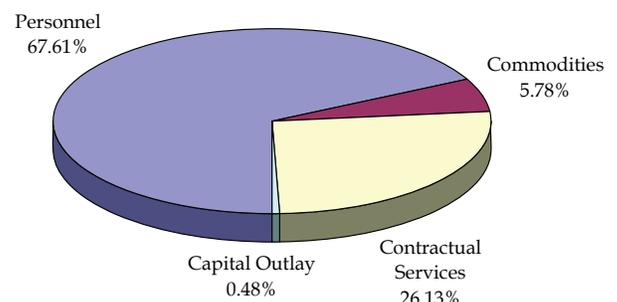
2012 Adopted Revenues \$1,616,188



Department Expenditures by Category

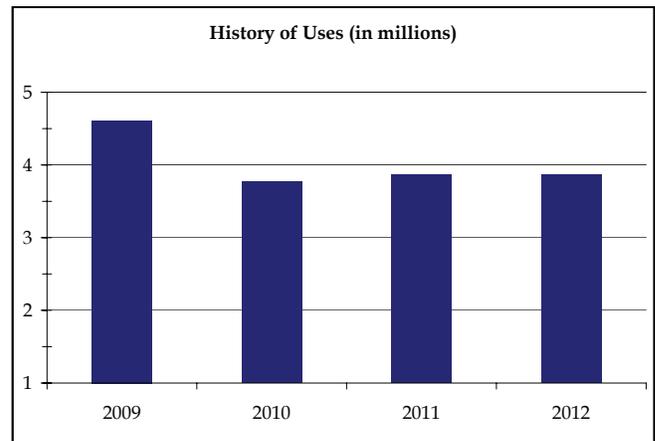
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$2,465,776 | \$2,379,319 | \$2,624,569 | \$2,609,918 |
| Commodities | 227,672 | 173,222 | 223,625 | 223,275 |
| Contractual Services | 1,310,788 | 984,061 | 936,515 | 1,008,555 |
| Capital Outlay | 298,116 | 158,604 | 79,310 | 18,475 |
| Total Uses | 4,302,352 | 3,695,206 | 3,864,019 | 3,862,223 |
| Other Funds | | | | |
| Special Projects | 308,604 | 76,456 | - | 2,000 |
| Total Department | \$4,610,956 | \$3,771,662 | \$3,864,019 | \$3,862,223 |
| Personnel FTE | 65 | 55.8 | 59.2 | 57.3 |

2012 Adopted Uses \$3,862,223



Program Expenditures

| | 2009 | 2010 | 2011 | 2012 |
|-----------------------|--------------------|--------------------|--------------------|--------------------|
| | Actual | Actual | Adopted | Adopted |
| Administration | \$1,055,777 | \$ 950,931 | \$ 998,037 | \$ 965,715 |
| Caledonia Region | 335,441 | 226,848 | 212,234 | 201,787 |
| Douglas Walker Reg | 233,948 | 210,272 | 236,512 | 232,327 |
| Dwight Lydell Reg | 217,790 | 138,039 | 150,934 | 149,198 |
| Fallasburg Region | 211,233 | 211,223 | 224,372 | 220,559 |
| Johnson | 258,837 | 199,879 | 151,579 | 145,286 |
| Kent Trails | 17,452 | 13,806 | 16,700 | 11,725 |
| LE Kaufman Clubhse | 210,072 | 168,750 | 205,592 | 198,396 |
| LE Kaufman Golf Cour | 456,676 | 438,392 | 485,204 | 458,286 |
| Long Lake Region | 159,939 | 118,734 | 142,884 | 135,180 |
| Millennium | 304,803 | 284,391 | 356,494 | 464,281 |
| Palmer | 127,151 | 133,329 | 143,874 | 126,242 |
| Townsend Region | 262,135 | 208,429 | 170,360 | 149,690 |
| Wabasis Lk Campgrd | 168,306 | 206,008 | 142,037 | 153,953 |
| Wabasis Lake Park | 282,796 | 186,176 | 227,206 | 247,598 |
| Fallasburg Shelterhse | 4,784 | 1,519 | - | - |
| Access to Recreation | 4,271 | - | - | - |
| Kent Trails Spec Proj | 299,548 | 74,937 | - | 2,000 |
| Total | \$4,610,956 | \$3,771,662 | \$3,864,019 | \$3,862,223 |



Significant Budget Issues

Over the past five years, the department has eliminated three full-time positions and reduced seasonal labor by a net of 12,900 hours (15%). Seasonal hours decreased 1.9 FTEs in 2012. During this same period, significant new amenities have been added to Millennium Park and new inter-community trails have been developed and absorbed into operations.

Even with significant reductions in funding for repairs and maintenance, to date the department has been able to maintain the condition of its extensive asset inventory. However, deferred replacement costs are accumulating at a rate of approximately \$200,000 per year, totalling approximately \$400,000 since 2010. The continued aging of buildings, facilities, vehicles and equipment may add a significant strain to operations and capital funding in future years.

In past years, the department has been very successful at leveraging millions of dollars from a variety of grants and donors for land acquisition and development. The vast majority of such projects require local matches which come from the department’s Land Acquisition and Development CIP Fund. The limited balance in this CIP fund impairs the department’s ability to pursue strategic acquisitions.

Significant Accomplishments

- Completed construction with private funding on the DeVos Family Boathouse at Millennium Park; the first year of operations were self-supporting.
- Increased volunteer hours (excluding community service) by 19%.
- Completed construction of three new rental cabins at Wabasis Lake Campground with in-house labor; filled to 87% capacity in the first year of operations.
- Substantially completed construction of the Fred Meijer Millennium Trail Network.
- Renewed Kent Trails interlocal agreement with five municipal partners for a second 20-year period.
- Completed significant improvements to Gordon Park, the oldest park in the Kent County system.
- Completed new maintenance building at Caledonia Park, primarily using in-house labor and skills.
- Completed the first phase of construction of the Fred Meijer Pioneer Trail, linking the Musketawa Trail to the White Pine Trail.
- Developed a permanent, off-road route for the Paul Henry Thornapple Trail between 68th and 76th Streets.

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John Ball Zoological Garden

1300 West Fulton Street, Grand Rapids, Michigan 49504
Phone: (616) 336-4300 Fax: (616) 336-3907

Mission

The mission of the John Ball Zoological Garden is to help individuals gain information about, respect for, and an understanding of the Animal Kingdom.

Overview

John Ball Zoological Garden (JBZG) houses 245 species and over 2,000 individual animals. Although there are more than 2,000 animal exhibitors licensed by the United States Department of Agriculture, JBZG is one of only 215 zoos nationwide that meet the American Zoo and Aquarium Association's rigorous standards for accreditation, which include animal care. Annually more than 400,000 guests visit the zoo, and 500,000 visit the park, making it one of the most popular recreational attractions in the West Michigan region.

Education is a primary focus of the zoo. Zoo staff present a wide variety of programs both on-site for guests and school groups as well as off-site to schools, hospitals, nursing homes and other community organizations. The Grand Rapids Public Schools Zoo School is home to two sixth grade classrooms that spend an entire school year at the zoo. These programs are designed to help individuals understand and develop a caring attitude towards wildlife.

JBZG participates in a variety of conservation, research, and animal management programs. The zoo provides data and staff resources to cooperative research programs and allows its facilities and collections to be used for university and secondary student training and education. JBZG also participates in cooperative Species Survival Plans, which help maintain the genetic diversity and stable demographics of species within zoos, and contribute to conservation of those species' counterparts in the wild.

Strategic Plan

Strategic issues for the Department include:

- Achieve position as a consistent key tourist/recreation attraction in the Grand Rapids area;
- Achieve a complete make-over of the zoo program and infrastructure within next ten (10) years; and
- Adopt a governing structure for the zoo that reduces county involvement in operations.

Operational Goals

- Provide the highest quality care possible for the animal collection
- Provide diverse educational opportunities to zoo guests, citizens of Kent County and the surrounding communities
- Enhance the entertainment and recreational opportunities available to the citizens and visitors to Kent County and West Michigan



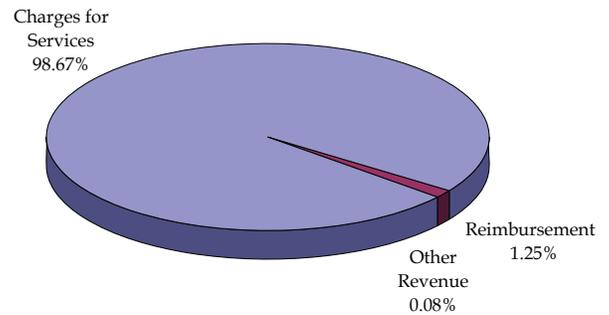
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------|---------|---------|---------------|
| Outcome: | | | | |
| Percent positive rating of John Ball Zoo on visitor surveys. | 99.00% | 99.00% | 99.00% | 90.00% |
| Increase admissions revenue per capita. | 0.00% | 0.00% | 16.00% | 9.00% |
| Output: | | | | |
| Number of individuals served through off-site programming | 9,610 | 8,657 | 10,130 | 10,130 |
| Number of individuals served through on-site programming. | 699,469 | 664,957 | 676,715 | 676,715 |
| Zoo Attendance | 424,771 | 425,643 | 403,565 | 430,000 |
| Attendance from picnic rentals | 35,503 | 37,380 | 94,032 | 35,000 |
| Efficiency: | | | | |
| Net County General Fund cost per visitor. | \$ 6.02 | \$ 5.10 | \$ 5.31 | \$ 4.98 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Intergovernmental | \$ 27,000 | \$ 11,200 | \$ - | \$ - |
| Charges for Services | 1,528,742 | 1,477,183 | 1,822,369 | 1,968,116 |
| Reimbursements | 19,202 | 21,079 | 30,000 | 25,000 |
| Other | 1,492 | 107,129 | 1,500 | 1,500 |
| Total Revenue | \$1,576,436 | \$1,616,591 | \$1,853,869 | \$1,994,616 |

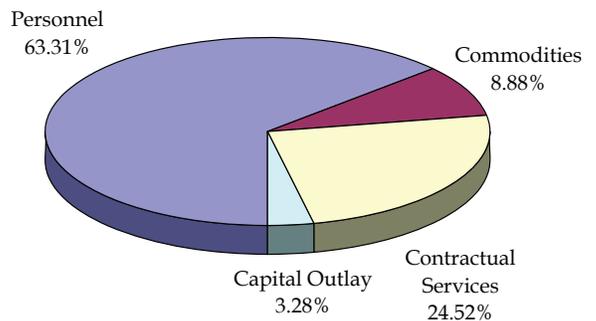
**2012 Adopted Revenues
\$1,994,616**



Department Expenditures by Category

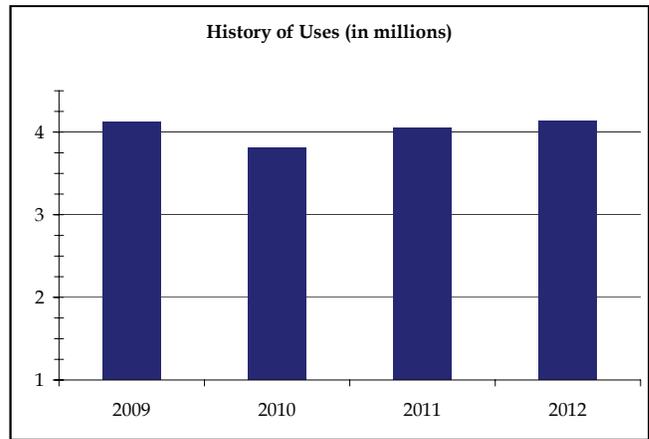
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$2,593,364 | \$2,390,504 | \$2,559,464 | \$2,617,141 |
| Commodities | 363,007 | 334,158 | 351,865 | 367,162 |
| Contractual Services | 1,043,325 | 1,004,492 | 1,012,565 | 1,013,621 |
| Capital Outlay | 122,677 | 80,307 | 129,706 | 135,636 |
| Total Uses | \$4,122,373 | \$3,809,461 | \$4,053,600 | \$4,133,560 |
| Personnel FTE | 49 | 44 | 43.8 | 45.2 |

**2012 Adopted Uses
\$4,133,560**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|--------------------|---------------------|---------------------|---------------------|---------------------|
| Operations & Admin | \$ 491,933 | \$ 366,817 | \$ 355,010 | \$ 344,603 |
| Animal Program | 1,606,424 | 1,611,824 | 1,777,772 | 1,768,116 |
| Education Program | 458,459 | 367,445 | 388,787 | 390,712 |
| Facilities | 1,433,868 | 1,308,662 | 1,389,384 | 1,484,267 |
| Park | 131,689 | 154,712 | 142,647 | 145,862 |
| Total | \$ 4,122,373 | \$ 3,809,461 | \$ 4,053,600 | \$ 4,133,560 |



Significant Budget Issues

For 2012, new projects include but are not limited to a new funicular attraction at the zoo, a new rental facility and a new area of the zoo for general visitors that will include animal exhibits in future years. Additional revenues will be generated from this new attraction and rental facility; however, if the completion of the construction of these are delayed, it could have an impact on the budgeted revenue.

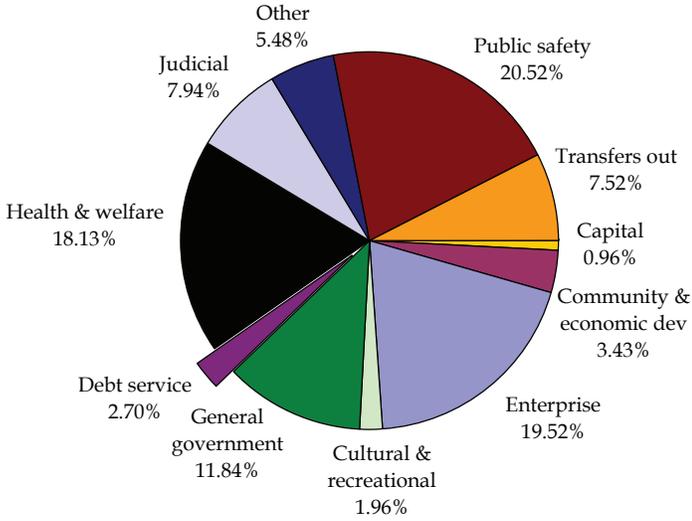
FTEs increased by 1.4 in 2012 due to increases in Seasonal Park Workers hours of 0.7 FTE and increases in zookeepers hours of 0.7 FTE.

Significant Accomplishments

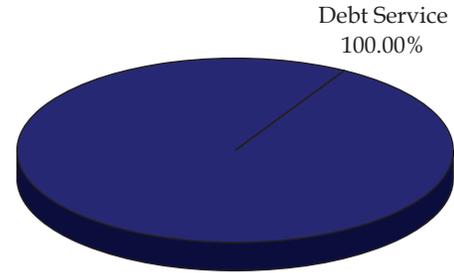
- In partnership with John Ball Zoo Society, the Zoo has started construction on many elements of its master plan including a new commissary/warehouse building, a new gift shop, a new funicular and treehouse rental facility. Plans are being made and funds are being secured for the renovation of the bear exhibit and a new tiger exhibit.
- In partnership with other Association of Zoos and Aquariums (AZA) accredited zoos in the state, the zoo participated in a new conservation project focusing on conservatoin of the critically endangered Kirtland’s warbler and its habitat.
- The zoo piloted an entirely new 5-day education program for school groups. In its pilot phase, the Zoo Lab program provided 2 days of professional development for six teachers. It will also bring five classes of students to the zoo for a week of programming each during the 2011-12 school year.
- In conjunction with Michigan State University, we were able to conduct an MRI to properly diagnose one of our lion’s medical condition that occurred during 2011. This procedure involved the coordination of multiple entities to make it a success.

Debt Service Functional Area at a Glance

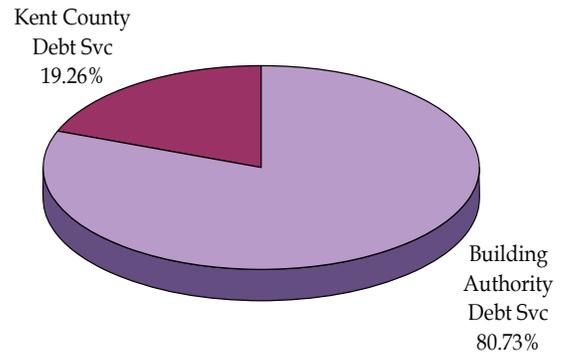
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$11,003,186



2012 Functional Area Uses by Department



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Fund Type

| Fund Type | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Debt Service Fund | | | | | | |
| Building Authority Debt Svc | \$ 8,895,307 | \$ 11,660,008 | \$ 8,935,152 | \$ 8,884,131 | \$ 8,884,131 | -0.57% |
| Kent County Debt Svc | 2,121,588 | 2,140,229 | 2,133,346 | 2,119,055 | 2,119,055 | -0.67% |
| Total Debt Service Fund | 11,016,895 | 13,800,237 | 11,068,498 | 11,003,186 | 11,003,186 | -0.59% |
| Total | \$ 11,016,895 | \$ 13,800,237 | \$ 11,068,498 | \$ 11,003,186 | \$ 11,003,186 | -0.59% |

Non-Departmental

Building Authority Debt Service

Building Authority Debt Service accounts for the retirement of debt related to projects of the Kent County Building Authority which currently includes the correctional facility remodel, the Sheriff's administration building, the courthouse, the DHS building, and the Juvenile Detention remodel. Financing for the correctional facility remodel debt service is provided by a dedicated tax millage paid by County property owners and Federal grants.

Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------------|---------------------------|----------------------------|----------------------------|----------------------------|
| Building Authority Debt Svc | | | | |
| Area Ag on Aging | \$ 87,250 | \$ 326,721 | \$ - | \$ - |
| Juv Det Remodel | - | 156,996 | 154,047 | 154,047 |
| Correctional Facility | 2,488,215 | 2,414,870 | 46,530 | - |
| Corr Facility Devel | - | 1,587,399 | 1,557,577 | 1,557,577 |
| Sheriff's Admin Bldg | 793,858 | 747,740 | 758,025 | 756,875 |
| DHS Building | 1,189,094 | 2,080,894 | 2,078,969 | 2,075,369 |
| Courthouse | 4,336,891 | 4,345,389 | 4,340,004 | 4,340,263 |
| Total Uses | <u>\$8,895,307</u> | <u>\$11,660,008</u> | <u>\$ 8,935,152</u> | <u>\$ 8,884,131</u> |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

There are no significant budget issues to report.

Kent County Debt Service

Kent County Debt Service accounts for the retirement of debt related to projects financed from capital improvement bonds, which includes various building and land acquisitions within Kent County.

Program Expenditures

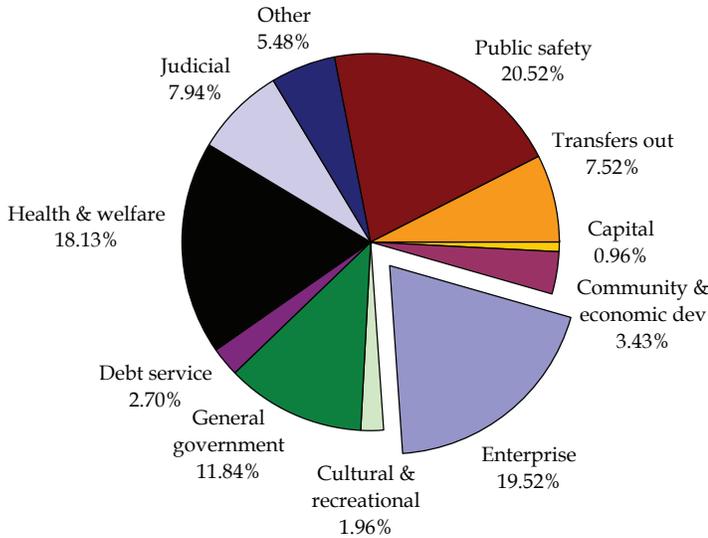
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Kent County Debt Svc | | | | |
| Series A Bonds | \$ 960,100 | \$ 961,429 | \$ 963,263 | \$ 958,252 |
| Spectrum Facility | 228,585 | 227,493 | 226,211 | 224,743 |
| Fuller Complex Imp | 130,921 | 133,503 | 132,460 | 131,364 |
| 63rd Dist Court | 378,548 | 386,015 | 382,998 | 379,828 |
| Fuller Boiler Plant | 87,155 | 88,875 | 88,181 | 87,451 |
| Animal Shelter | 336,279 | 342,914 | 340,233 | 337,417 |
| Total Uses | <u>\$2,121,588</u> | <u>\$2,140,229</u> | <u>\$2,133,346</u> | <u>\$2,119,055</u> |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

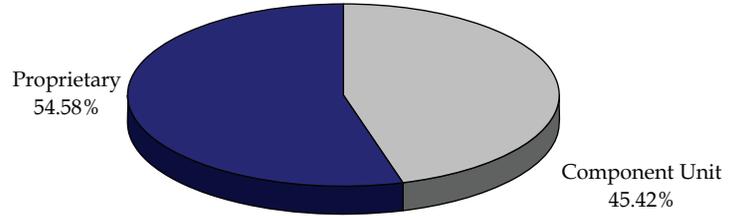
There are no significant budget issues to report.

Enterprise Activities Functional Area at a Glance

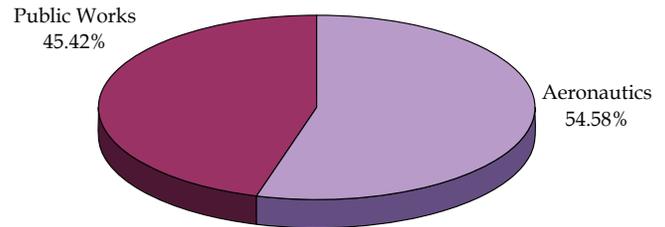
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$79,497,134



2012 Functional Area Uses by Department



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Fund Type

| Fund Type | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Component Unit Fund | | | | | | |
| Public Works | 31,306,972 | 34,015,779 | 38,105,799 | 36,111,474 | 36,111,474 | -5.23% |
| Total Component Unit Fund | 31,306,972 | 34,015,779 | 38,105,799 | 36,111,474 | 36,111,474 | -5.23% |
| Proprietary Funds | | | | | | |
| Aeronautics | 32,877,442 | 43,228,948 | 42,997,829 | 43,385,660 | 43,385,660 | 0.90% |
| Total Proprietary Funds | 32,877,442 | 43,228,948 | 42,997,829 | 43,385,660 | 43,385,660 | 0.90% |
| Total | \$ 64,184,414 | \$ 77,244,727 | \$ 81,103,628 | \$ 79,497,134 | \$ 79,497,134 | -1.98% |

Functional Area History of Uses by Department

| Department | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|-------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Aeronautics | \$ 32,877,442 | \$ 43,228,948 | \$ 42,997,829 | \$ 43,385,660 | \$ 43,385,660 | 0.90% |
| Public Works | 31,306,972 | 34,015,779 | 38,105,799 | 36,111,474 | 36,111,474 | -5.23% |
| Total Uses | \$ 64,184,414 | \$ 77,244,727 | \$ 81,103,628 | \$ 79,497,134 | \$ 79,497,134 | -1.98% |

Functional Area History of Uses by Category

| Category | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Personnel | \$ 13,000,393 | \$ 13,574,949 | \$ 14,221,267 | \$ 13,827,908 | \$ 13,827,908 | -2.77% |
| Commodities | 578,420 | 649,445 | 685,174 | 744,678 | 744,678 | 8.68% |
| Contractual Services | 42,541,835 | 48,566,158 | 52,696,192 | 50,201,490 | 50,201,490 | -4.73% |
| Capital Outlay | 819,963 | 1,036,329 | 1,160,300 | 1,265,420 | 1,265,420 | 9.06% |
| Other Charges | 7,243,804 | 13,417,846 | 12,340,695 | 13,457,638 | 13,457,638 | 9.05% |
| Transfers Out | - | - | - | - | - | NA |
| Total Uses | \$ 64,184,414 | \$ 77,244,727 | \$ 81,103,628 | \$ 79,497,134 | \$ 79,497,134 | -1.98% |

| | | | | | |
|----------------------|-------|-------|-----|-------|-------|
| Personnel FTE | 194.5 | 185.4 | 191 | 169.7 | 169.7 |
|----------------------|-------|-------|-----|-------|-------|

Strategic Goals

- Participate in the economic development and planning efforts of the region
- Expand public and private customer service area for single stream recycling
- Continue to respond to changing economic and community demand, adjusting services accordingly
- Budget and operate without the use of Kent County General Fund support
- Implement approved Solid Waste Management Plan goals and objectives that include expanded solid waste recovery prior to disposal in recycling services and systems
- Develop and implement a strategy for sustainable solid waste recovery, processing, and recycling services and systems

Short-Term Tactical Objectives

- Improve the Geographical Information System (GIS)
- Improve electronic (digital) record-keeping
- Pursue appropriate federal and state grants
- Complete landfill expansion into Allegan County; augment waste water collection services in cooperation with Township service districts

County Core Priorities

To provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all Kent County citizens by:

- Maintaining current and future financial stability
- Increasing influence on legislative changes
- Maintaining and developing facilities, infrastructure, and programs
- Providing timely, professional, and effective customer service
- Providing safe and healthy communities, enhancing the quality of life in Kent County
- Enhancing work environment, encouraging creativity and innovation
- Promoting open intergovernmental and public relations

Department of Aeronautics

5500 44th Street SE, Grand Rapids, Michigan 49512

Phone: (616) 233-6000 Fax: (616) 233-6025

flyford.org

Mission Statement

It is the mission of the Kent County Department of Aeronautics to provide safe, efficient, environmentally sensitive and economically self-sustaining and globally infused air transportation facilities responsive to regional needs.

Overview

The Department of Aeronautics manages and operates the Gerald R. Ford International Airport (GFIA). GFIA is served by 8 passenger airlines with 120 daily scheduled non-stop flights to and from 22 major market destinations. GFIA also serves as a significant general aviation base and regional air cargo hub.

The airport has its own police, fire, and maintenance departments. Policy and general oversight of GFIA is the responsibility of the Gerald R. Ford International Airport Board, a seven-member body appointed by the Board of Commissioners. GFIA receives no General Fund allocations. The department's operational requirements are met through rates and charges assessed to airport tenants and patrons for the use of airport services and facilities. The airport's capital requirements are met through earned surpluses, revenue bonds, passenger facility charges, and state and federal grants. In 2011, GFIA served over 2.27 million passengers and processed more than 80 million pounds of air cargo and mail.

Strategic Goals

Strategic issues for the Department include:

- Participate in the economic development and planning efforts of the region;
- Continue to respond to changing economic and community demand, adjusting services accordingly; and
- Budget and operate without the use of Kent County General Fund support.

Operational Goals

- Provide a safe, secure, efficient and user-friendly facility that is well maintained and aesthetically pleasing, providing the amenities needed by the traveling public and transportation service companies supporting scheduled passenger and cargo airline service
- Provide safe, secure, operationally efficient and user-friendly facilities for general aviation businesses providing aircraft parking, fueling, sales, flight training, charter, repair and other associated activities by aircraft not operated by scheduled passenger air carriers, cargo air carriers or the military
- Provide facility inspection, routine maintenance and light construction services for Department facilities such as buildings, parking lots, roadways, runways, ramps, aprons, lighting systems and signage systems
- Provide the Gerald R. Ford International Airport Board with management oversight and policy implementation for the operations, maintenance, safety, security, marketing, communications, development and financing functions of Department of Aeronautics facilities, including the Gerald R Ford International Airport



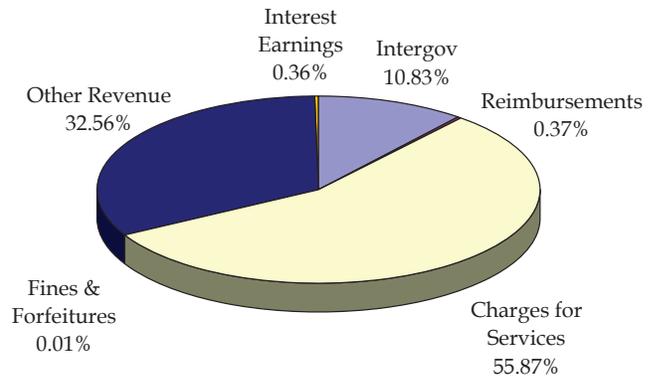
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|--------------|---------------|---------------|---------------|
| Outcome: | | | | |
| Number of Major discrepancies noted during TSA security assessments | 0 | 0 | 0 | 0 |
| Number of Major discrepancies noted during annual FAA certification/safety inspection | 0 | 0 | 0 | 0 |
| Net operating revenues exceeding expenses per audit results | \$ 7,730,273 | \$ 13,908,888 | \$ 14,180,264 | \$ 14,849,144 |
| Output: | | | | |
| Total air cargo (lbs.) | 76,554,991 | 79,750,000 | 80,706,216 | 81,000,000 |
| Tenant activity: number of primary tenants | 51 | 50 | 52 | 52 |
| Airfield operations: number of takeoffs and landings | 87,883 | 87,073 | 87,545 | 87,200 |
| General aviation: total based aircraft | 87 | 84 | 86 | 86 |
| Passenger activity: total passengers | 1,771,465 | 2,180,000 | 2,275,332 | 2,161,565 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| Aeronautics Fund | | | | |
| Intergovernmental | \$ 2,164,002 | \$ 5,726,827 | \$ 4,000,000 | \$ 4,700,000 |
| Charges for Services | 16,906,158 | 23,047,011 | 21,141,882 | 24,237,876 |
| Fines & Forfeitures | 7,446 | 2,649 | 5,000 | 5,000 |
| Investment Earnings | 428,770 | 147,823 | 235,550 | 155,000 |
| Reimbursements | 1,164,517 | 1,125,816 | 160,000 | 160,000 |
| Other | 12,665,258 | 13,707,403 | 12,966,259 | 14,127,784 |
| Total Revenue | \$33,336,151 | \$43,757,530 | \$38,508,691 | \$43,385,660 |

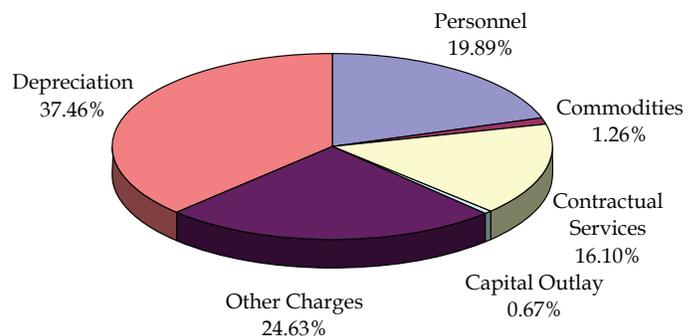
2012 Adopted Revenues
\$43,385,660



Department Expenditures by Category

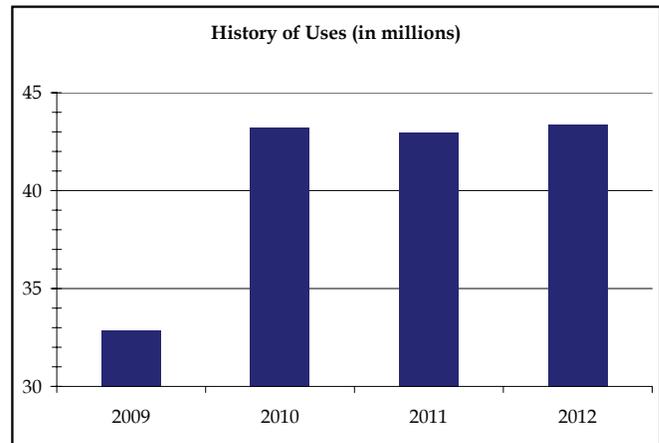
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| Aeronautics Fund | | | | |
| Personnel | \$ 8,587,431 | \$ 8,925,322 | \$ 9,053,597 | \$ 8,628,928 |
| Commodities | 432,496 | 471,905 | 502,874 | 546,953 |
| Contractual | 7,094,443 | 7,516,451 | 7,529,978 | 6,983,291 |
| Operating Capital | 173,843 | 89,433 | 237,700 | 290,820 |
| Other Expense | 5,033,822 | 10,217,277 | 9,871,540 | 10,683,948 |
| Uses before Depr | 21,322,036 | 27,220,388 | 27,195,689 | 27,133,940 |
| Depreciation | 11,555,406 | 16,008,560 | 15,802,140 | 16,251,720 |
| Total Uses | \$32,877,442 | \$43,228,948 | \$42,997,829 | \$43,385,660 |
| Personnel FTE | 124 | 123.6 | 124.6 | 105.7 |

2012 Adopted Uses
\$43,385,660



Program Expenditures

| | 2009 | 2010 | 2011 | 2012 |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted | Adopted |
| Air Cargo | \$ 1,086,715 | \$ 1,112,094 | \$ 1,172,595 | \$ 1,146,825 |
| Airfield | 6,887,616 | 7,045,440 | 7,167,927 | 7,549,569 |
| Airline Apron | 1,432,777 | 1,421,774 | 1,590,566 | 1,504,088 |
| General Admin | 3,864,321 | 4,404,889 | 4,073,392 | 4,205,429 |
| General Aviation | 467,887 | 480,939 | 518,075 | 483,765 |
| General Maintenance | 2,468,961 | 2,709,931 | 2,818,614 | 2,980,083 |
| Ground Transportati | 5,655,710 | 9,730,902 | 9,555,719 | 9,059,872 |
| Other Land & Bldgs | 421,214 | 366,264 | 409,020 | 401,810 |
| Terminal Building | 6,907,837 | 6,809,526 | 6,707,921 | 7,237,219 |
| Debt Service | 3,684,405 | 9,147,189 | 8,984,000 | 8,817,000 |
| Total | \$32,877,442 | \$43,228,948 | \$42,997,829 | \$43,385,660 |



Significant Budget Issues

The airport parking operation was outsourced, reducing operating costs by \$500,000 and staffing levels by 23 employees or 18.9 FTE positions.

Significant Accomplishments

- 2011 saw an increase in passenger traffic of 4%, on top of a 24% increase in 2010.
- 2011 saw an increase in cargo traffic of 1.25%, on top of a 4% increase in 2010.
- The Department completed space modification work at the Concourse A passenger security screening area to allow for a third Transportation Security Administration (TSA) security screening lane.
- The Department completed installation of the final five passenger loading bridges. All 13 aircraft boarding gates now have new passenger loading bridges.
- In September, the airport successfully completed its annual Federal Aviation Administration (FAA) Airport Certification Inspection. This extensive inspection is a requirement for all commercial airport operators.
- The Government Finance Officers Association (GFOA) recognized the Department for its annual financial report by awarding it a 17th consecutive Certificate of Achievement for Excellence in Financial Reporting.
- The Department received an Award of Excellence from the Associated Builders and Contractors - Western Michigan Chapter in recognition of overall quality of construction of the airport parking ramp.
- The Department was selected the winner in the Airports Category of the Michigan Concrete Association’s Michigan Awards of Excellence in recognition of the Taxiway Z reconstruction project.

Department of Public Works

1500 Scribner NW, Grand Rapids, Michigan 49504
Phone: (616) 336-3694 Fax: (616) 336-3338

Mission

The Kent County Board and Department of Public Works acquires, improves, enlarges, operates, and maintains water supply systems, sewage disposal systems, and refuse systems to promote and protect the health and welfare of its residents and the environment.

Overview

The Department of Public Works is an enterprise fund department established by the Board of Commissioners to provide solid waste management services and water and sewer system construction, inspection, and maintenance under contract with some local units of government. The department is divided into four divisions: Utility Services, Finance and Accounting, Waste-to-Energy and Solid Waste. In addition to general administration and budgetary oversight, the department also helps local municipalities to secure funding for water and sewer projects.



Kent County Recycling and Education Center

Strategic Goals

Strategic issues for the Department include:

- Develop and implement a strategy for sustainable solid waste recovery, processing, and recycling services and systems;
- Budget and operate without the use of Kent County General Fund support;
- Participate in the economic development and planning efforts of the region;
- Implement approved Solid Waste Management Plan goals and objectives that include expanded solid waste recovery prior to disposal in recycling services and systems;
- Expand South Kent Landfill capacity with initial priority on ash monofill requirements; and
- Expand public and private customer service area for single stream recycling.
- Complete transfer of Utility Services Operation and Maintenance to North Kent Sewer Authority and member communities.

Operational Goals

- Ensure availability of long-term disposal services and transfer capacity for Kent County residents
- Operate disposal and transfer facilities in compliance with license and permits
- Accept and process increased curbside recycling tonnage at the Recycling Education Center
- Expand participation through a comprehensive educational and advertising program. (HHW)
- Accept all solid waste delivered and process solid waste for energy recovery or transfer in a cost effective and environmentally responsible manner
- Provide reliable cost-effective sanitary and storm sewer operations and maintenance services for contracted communities and County departments
- Provide services to permit and inspect new sanitary sewer installations in accordance with MDEQ Act 98 permit requirements

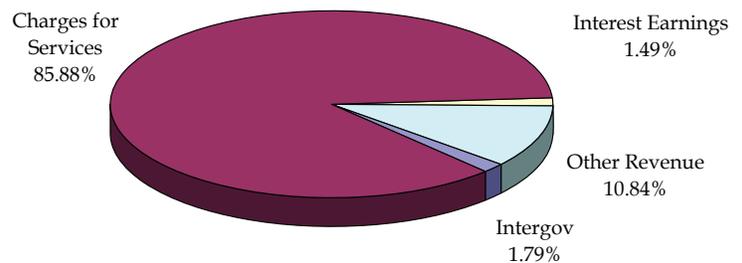
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|----------|----------|----------|---------------|
| Outcome: | | | | |
| Receive zero major non-conformances/violations on the ISO 14001 certification | 0 | 0 | 0 | 0 |
| Percent of tons sold/tons processed (MRF) | 80.50% | 88.00% | 91.00% | 93.00% |
| Electricity sold (Mwh) WTE | 100,195 | 104,000 | 101,549 | 98,769 |
| Percent of Act 98 permits reviewed and submitted within 30 days | 100.00% | 100.00% | 100.00% | 100.00% |
| Output: | | | | |
| Tons of solid waste processed-NKTS | 57,383 | 59,150 | 60,228 | 60,000 |
| Tons Processed (MRF) | 15,493 | 14,940 | 23,600 | 24,000 |
| Number of households' served/year (HHW) | 2,361 | 2,761 | 2,877 | 2,600 |
| Tons of solid waste processed | 186,290 | 188,000 | 185,998 | 187,000 |
| Tons of ferrous metal recovered | 2,942 | 3,900 | 3,686 | 3,700 |
| Efficiency: | | | | |
| Cost per ton for processing - SKL | \$ 18.94 | \$ 14.81 | \$ 16.30 | \$ 18.00 |
| Cost per ton for processing - NKTS | \$ 24.00 | \$ 22.18 | \$ 23.87 | \$ 24.50 |
| Net cost/ton processed (Material Recovery Facility) | \$73.48 | \$90.22 | \$101.05 | \$100.50 |
| Cost per pound collected (HHW) | \$ 1.12 | \$ 1.23 | \$ 1.41 | \$ 1.50 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Public Works Funds | | | | |
| Intergovernmental | \$ 630,829 | \$ 637,044 | \$ 642,805 | \$ 646,375 |
| Charges for Services | 35,392,768 | 37,392,310 | 33,266,824 | 31,011,538 |
| Investment Earnings | 1,377,132 | 267,163 | 946,275 | 538,145 |
| Other | 1,831,579 | 1,653,016 | 3,249,895 | 3,915,416 |
| Total Revenue | \$39,232,308 | \$39,949,533 | \$38,105,799 | \$36,111,474 |

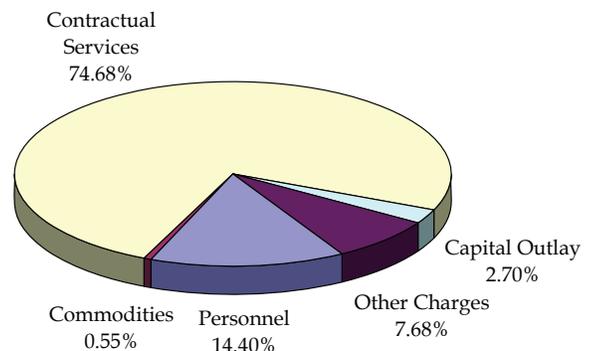
**2012 Adopted Revenues
\$36,111,474**



Department Expenditures by Category

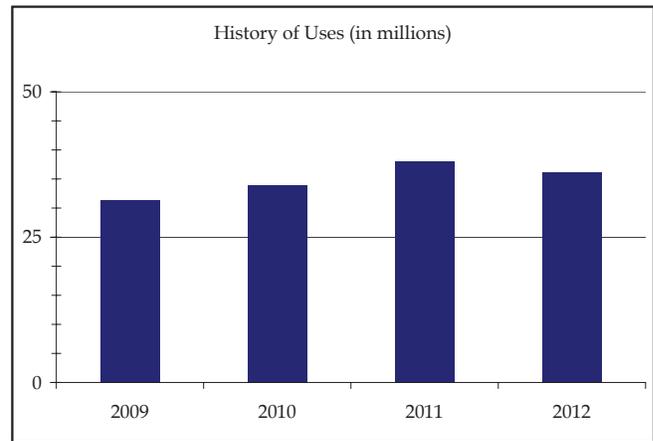
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Public Works Funds | | | | |
| Personnel | \$ 4,412,962 | \$ 4,649,627 | \$ 5,167,670 | \$ 5,198,980 |
| Commodities | 145,923 | 177,540 | 182,300 | 197,725 |
| Contractual | 23,891,985 | 25,041,147 | 29,364,074 | 26,966,479 |
| Operating Capital | 646,120 | 946,896 | 922,600 | 974,600 |
| Other Expense | 2,209,982 | 3,200,568 | 2,469,155 | 2,773,690 |
| Total Uses | \$31,306,972 | \$34,015,779 | \$38,105,799 | \$36,111,474 |
| Personnel FTE | 70.5 | 61.8 | 66.4 | 64.0 |

**2012 Adopted Uses
\$36,111,474**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| Act 185 Bond Fund | 632,746 | 638,046 | 642,805 | 646,375 |
| Administration | 730,836 | 718,412 | 1,056,600 | 1,015,000 |
| Water & Sewer Div | 2,032,908 | 1,653,520 | 4,431,700 | 2,025,150 |
| Solid Waste/Landfill | 8,615,085 | 11,119,268 | 11,305,020 | 11,967,011 |
| Waste-to-Energy Oper | 19,295,397 | 19,886,533 | 20,669,674 | 20,457,938 |
| Total | 31,306,972 | 34,015,779 | 38,105,799 | 36,111,474 |



Significant Budget Issues

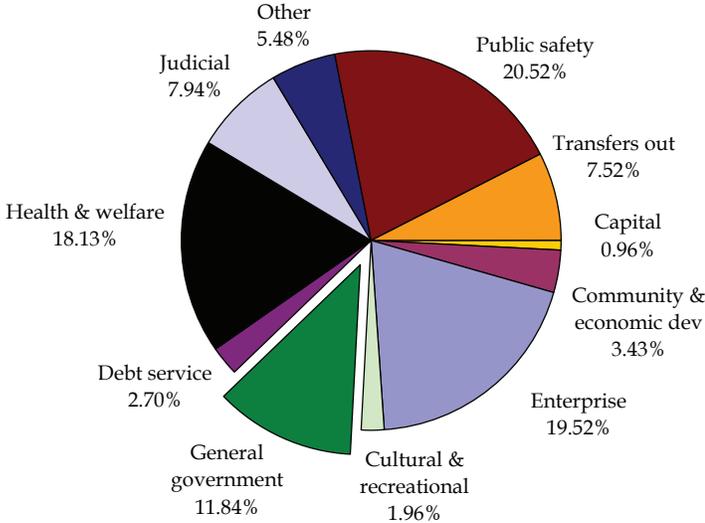
As part of a department re-organization, two vacant clerical positions and a part-time temporary position were eliminated from position control. Other positions may be added at a future date, as part of the re-organization.

Significant Accomplishments

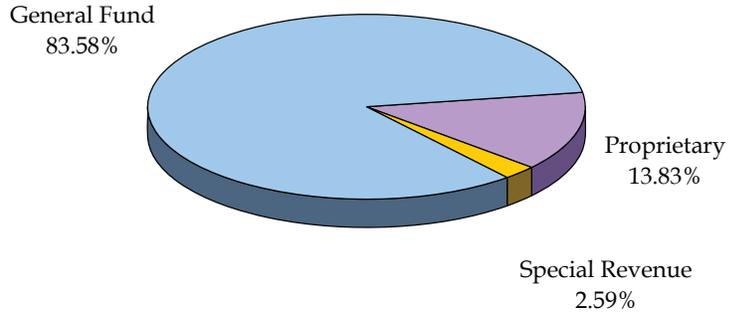
- The Department received Leadership in Energy and Environmental Design (LEED) certification for the Kent County Recycling and Education Center from the U.S. Green Building Design Council.
- The Recycling and Education Center completed one full year of operation processing nearly 23,000 tons of recyclable materials.
- The Department and the City of Grand Rapids partnered in sponsoring “Residential Recycling Rewards” promotion with Cumulus Radio stations.
- The Waste-to-Energy Facility’s designation as a Clean Corporate Citizen (C3) has been renewed for an additional two (2) years by the Michigan Department of Environmental Quality.
- The Waste-to-Energy Facility had the fourth best processing throughput in the last 17 years.
- The Department successfully transferred Utility Service operations and maintenance to Courtland Township.
- The Solid Waste Plan Committee completed the process of amending the Solid Waste Plan for public comment.

General Government Functional Area at a Glance

2012 County Uses by Functional Area
\$407,282,316*



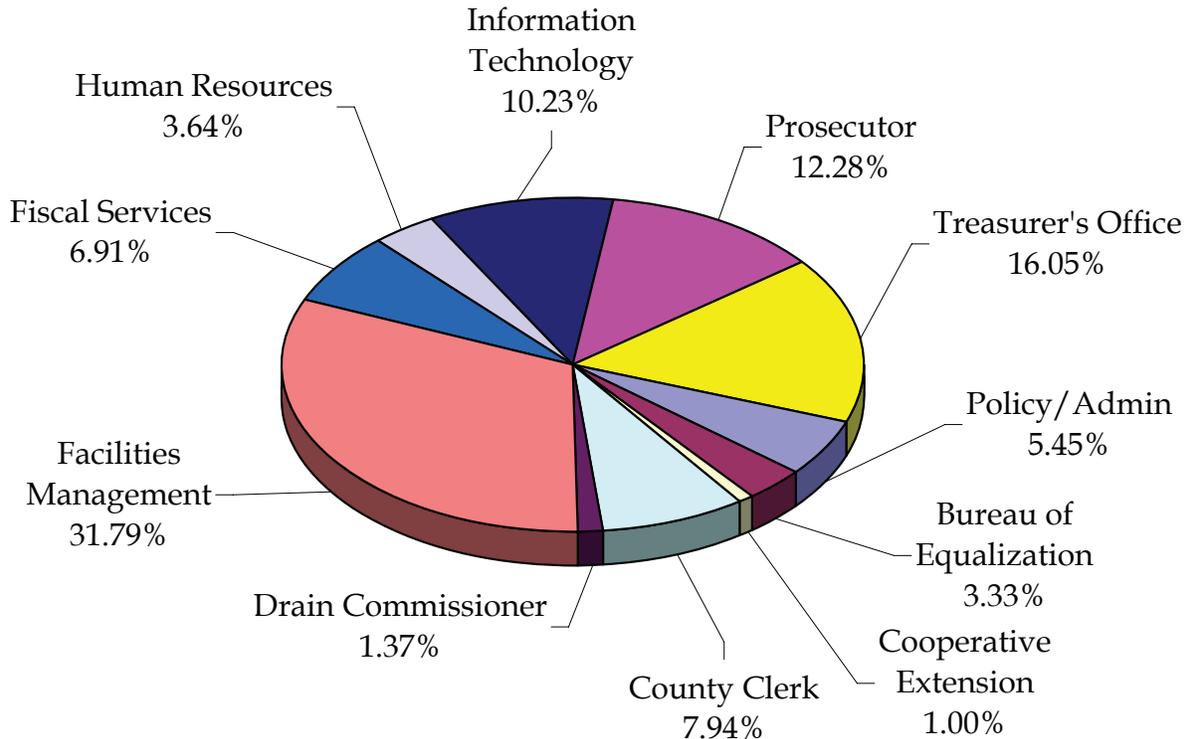
2012 Functional Area Uses by Fund Type
\$48,207,888



Functional Area History of Uses by Fund Type is provided on the following page.

* This chart is net of the \$7,001,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

2012 Functional Area Uses by Department



Functional Area History of Uses by Fund Type

| Fund Type | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|---------------------------|------------------------|------------------------|-------------------------|---------------------------|-------------------------|-----------------------------|
| General Fund | | | | | | |
| Bureau of Equalization | \$ 1,594,384 | \$ 1,486,887 | \$ 1,504,260 | \$ 1,486,911 | \$ 1,406,219 | -6.52% |
| Clerk/Register of Deeds | 3,213,416 | 3,308,347 | 3,261,901 | 3,384,510 | 3,289,340 | 0.84% |
| Cooperative Extension | 640,384 | 520,549 | 559,231 | 564,817 | 480,000 | -14.17% |
| Drain Commission | 566,021 | 557,215 | 585,401 | 585,401 | 585,401 | 0.00% |
| Facilities Management | 13,820,832 | 11,820,908 | 13,892,980 | 15,343,584 | 15,323,584 | 10.30% |
| Fiscal Services | 3,632,525 | 3,201,906 | 3,429,526 | 3,351,693 | 3,333,398 | -2.80% |
| Human Resources | 1,918,909 | 1,652,372 | 1,768,194 | 1,753,011 | 1,753,011 | -0.86% |
| Information Technology | 5,794,512 | 4,716,989 | 5,029,099 | 5,166,243 | 4,932,786 | -1.92% |
| Policy/Administration | 2,241,986 | 2,096,073 | 2,155,154 | 2,235,775 | 2,196,425 | 1.91% |
| Prosecutor | 6,044,572 | 6,004,576 | 5,941,065 | 5,921,240 | 5,921,240 | -0.33% |
| Treasurer's Office | 1,139,926 | 1,213,738 | 1,022,662 | 1,071,940 | 1,071,940 | 4.82% |
| Total General Fund | 40,607,467 | 36,579,560 | 39,149,473 | 40,865,125 | 40,293,344 | 2.92% |
| Other Funds | | | | | | |
| Bureau of Equalization | 100,391 | 27,476 | 175,000 | 196,702 | 196,702 | 12.40% |
| Clerk/Register of Deeds | 452,397 | 427,090 | 595,284 | 539,994 | 539,994 | -9.29% |
| Cooperative Extension | 52,163 | 40,440 | 35,708 | - | - | -100.00% |
| Drain Commission | 75,430 | 91,972 | 76,520 | 76,862 | 76,862 | 0.45% |
| Facilities Management | 2,147 | 166,185 | 4,000 | 4,000 | 4,000 | 0.00% |
| Policy/Administration | 64,025 | 2,714,154 | 485,500 | 835,000 | 429,286 | -11.58% |
| Treasurer's Office | 17,599,726 | 18,284,328 | 11,249,250 | 6,667,700 | 6,667,700 | -40.73% |
| Total Other Funds | 18,346,279 | 21,751,645 | 12,621,262 | 8,320,258 | 7,914,544 | -37.29% |
| Total | \$ 58,953,746 | \$ 58,331,204 | \$ 51,770,735 | \$ 49,185,383 | \$ 48,207,888 | -6.88% |

Functional Area History of Uses by Department

| Department | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|-------------------------|------------------------|------------------------|-------------------------|---------------------------|-------------------------|-----------------------------|
| Bureau of Equalization | \$ 1,694,775 | \$ 1,514,363 | \$ 1,679,260 | \$ 1,683,613 | \$ 1,602,921 | -4.55% |
| Clerk/Register of Deeds | 3,665,813 | 3,735,437 | 3,857,185 | 3,924,504 | 3,829,334 | -0.72% |
| Cooperative Extension | 692,547 | 560,989 | 594,939 | 564,817 | 480,000 | -19.32% |
| Drain Commission | 641,451 | 649,187 | 661,921 | 662,263 | 662,263 | 0.05% |
| Facilities Management | 13,822,978 | 11,987,093 | 13,896,980 | 15,347,584 | 15,327,584 | 10.29% |
| Fiscal Services | 3,632,525 | 3,201,906 | 3,429,526 | 3,351,693 | 3,333,398 | -2.80% |
| Human Resources | 1,918,909 | 1,652,372 | 1,768,194 | 1,753,011 | 1,753,011 | -0.86% |
| Information Technology | 5,794,512 | 4,716,989 | 5,029,099 | 5,166,243 | 4,932,786 | -1.92% |
| Policy/Administration | 2,306,011 | 4,810,226 | 2,640,654 | 3,070,775 | 2,625,711 | -0.57% |
| Prosecutor | 6,044,572 | 6,004,576 | 5,941,065 | 5,921,240 | 5,921,240 | -0.33% |
| Treasurer's Office | 18,739,652 | 19,498,067 | 12,271,912 | 7,739,640 | 7,739,640 | -36.93% |
| Total Uses | \$ 58,953,746 | \$ 58,331,204 | \$ 51,770,735 | \$ 49,185,383 | \$ 48,207,888 | -6.88% |

Functional Area History of Uses by Category

| Category | 2009 | 2010 | 2011 | 2012 | 2012 | Adopted % Change |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Actual | Actual | Adopted | Requested | Adopted | |
| Personnel | \$ 24,994,250 | \$ 22,272,275 | \$ 22,528,049 | \$ 22,245,936 | \$ 21,974,394 | -2.46% |
| Commodities | 947,610 | 960,178 | 1,036,540 | 1,164,838 | 1,157,506 | 11.67% |
| Contractual Services | 14,126,754 | 13,489,804 | 15,949,919 | 17,712,652 | 17,460,345 | 9.47% |
| Capital Outlay | 696,299 | 2,692,104 | 668,819 | 1,094,899 | 648,585 | -3.03% |
| Other Charges | 1,719,530 | 838,708 | 1,124,145 | 916,806 | 916,806 | -18.44% |
| Transfers Out | 16,469,303 | 18,078,135 | 10,463,263 | 6,050,252 | 6,050,252 | -42.18% |
| Total Uses | \$ 58,953,746 | \$ 58,331,204 | \$ 51,770,735 | \$ 49,185,383 | \$ 48,207,888 | -6.88% |
| Personnel FTE | 341 | 305.1 | 279 | 278 | 273 | |

Strategic Goals

- Politically advocate to protect current sources of revenue from legislative changes
- Reduce cost of Kent County government operations
- Develop internal and external communications strategy
- Diversify sources of revenue
- Be an employer of choice
- Grow/enhance a participative employee culture
- Maintain/enhance partnerships and relationships that support the Mission of Kent County government
- Develop a Sustainability mentality, to enhance environmental preservation within county facilities
- Politically advocate for stream-lined election laws that improve voting process and enhance the integrity of elections
- Protect current revenue streams and explore methods to ensure changes in statutory allowable fees cover costs
- Expand the bio-fuel development sales of agricultural products grown in Kent County via efforts with MSU researchers
- Bring research from MSU to Kent County in multiple educational program areas: nutrition and health, youth development, agriculture and natural sciences, urban and rural development

Short-Term Tactical Objectives (by Department)

- **County Administration (Administrator’s Office, Board of Commissioners Office, Bureau of Equalization, Fiscal Services, Human Resources, Information Technology):** develop tactical labor strategy to address staffing, diversity, training, pay and benefits; continue and enhance all forms of collaboration with other public and private entities; develop strategy to prevent encroachment on millage capacity; develop and expand training programs to promote County culture and enhance collaboration; enhance technology to improve internal efficiencies and provide services on 24/7 basis; promote interdepartmental and intergovernmental collaboration as an efficiency-gaining and service improving measure
- **Clerk/Register of Deeds:** maintain a high-level of performance; monitor potential problems/opportunities resulting from increased federal “anti-terrorism” efforts and court mergers
- **Kent/MSU Cooperative Extension:** leverage local resources to obtain increased matching funds; support county efforts to reduce infant mortality and improve overall health of children through nutrition education; support the development of ethanol as a gasoline additive; continue to work with local groups to promote a viable agricultural industry in Kent County
- **Drain Commission:** expand un-petitioned maintenance of county drains; reduce level of storm water management and master planning services to townships; continue digitalization of records; upgrade GIS system; assess/recommend fee increases for administration of Subdivision Control Act; continue to use interns
- **Facilities Management:** review construction and maintenance contracts to assure state-of-the-art processes and procedures; administer property management program that achieves timely and cost-effective enhancements to facilities; promote processes that enhance the communication with county departments in identifying and resolving facilities needs; and continue to develop department-wide cost and energy use reduction programs, while focusing on improving customer service
- **Prosecutor’s Office:** continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency; maximize effectiveness of existing staff and reduce staff growth
- **Treasurer’s Office:** monitor activities of other units or levels of government to consolidate tax collection programs; capture personal property tax collection; continue efforts to reduce cost of operations

County Core Priorities

To provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all Kent County citizens by:

- Maintaining current and future financial stability
- Increasing influence on legislative changes
- Maintaining and developing facilities, infrastructure, and programs
- Providing timely, professional, and effective customer service
- Providing safe and healthy communities, enhancing the quality of life in Kent County
- Enhancing work environment, encouraging creativity and innovation
- Promoting open intergovernmental and public relations

Bureau of Equalization

County Administration Building
300 Monroe Avenue NW, Grand Rapids, MI 49503-2206
Phone: (616) 632-7520 Fax: (616) 632-7525

Mission

To provide for a fair system of property assessment and taxation and to provide professional mapping services for all cities and townships in Kent County.

Overview

The Bureau of Equalization carries out both property appraisal and mapping functions on behalf of taxpayers and municipalities in Kent County. The Bureau has two divisions, the Appraisal Division and the Property Description and Mapping Division.

The Appraisal Division equalizes property values annually among 21 townships and nine cities so property taxes remain uniformly fair across Kent County. The Division reports annually to the Board of Commissioners on the apportionment of millages within a 50-mill cap among various jurisdictions. Division staff audit property transfers to ensure that the taxable and state equalized value remain identical for the following year and assist local units of government with property assessments, especially of complex agricultural, industrial, commercial and developmental sites. The Division also provides information to local governments to prepare cases for the Michigan Tax Tribunal, the appellate body on property tax matters.

The Property Description and Mapping Division creates and maintains property tax maps for all parcels of land in Kent County. The staff also updates all property descriptions for area municipalities. Map products and property information records are created for general reference by local municipalities, title companies, realtors, real estate developers, appraisal firms, law firms, surveyors, environmental companies, architectural and engineering firms and the general public for many purposes.

Operational Goals

- Annually project property values and study the level of assessment by property class through appraisal and/or sales studies and apply equalization factors, if necessary, to comply with state law
- Provide professional tax mapping service so that all land in the county subject to the property tax is taxed once and is not subjected to double taxation
- Preserve public survey monuments for public use and preservation of the Public Land Survey System



County Remonumentation Monument

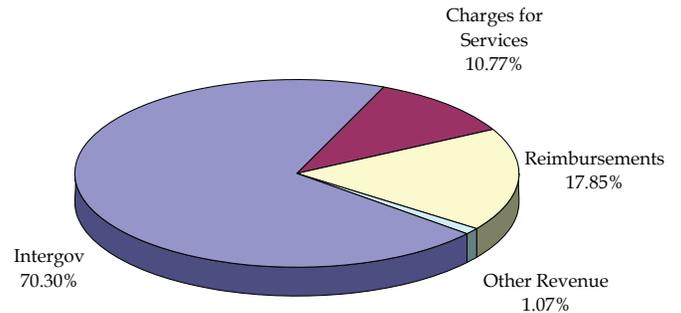
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|---------|---------|---------|---------------|
| Outcome: | | | | |
| Percent of commercial/industrial sales appraised for economic condition factors | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of tax descriptions complete within 30 work days | 100.00% | 100.00% | 95.00% | 95.00% |
| Percent of damaged monuments repaired | 100.00% | 100.00% | 100.00% | 100.00% |
| Output: | | | | |
| Number of commercial/industrial sales appraised for economic condition factors | 106 | 126 | 127 | 125 |
| Number of on-site real property appraisals | 2,388 | 2,115 | 2,000 | 1,800 |
| Number of personal property audits | 233 | 226 | 227 | 225 |
| Number of tax descriptions/map updates | 3,195 | 4,900 | 2,869 | 3,000 |
| Efficiency: | | | | |
| Number of real property appraisals per appraiser | 435 | 423 | 444 | 450 |
| Number of personal property audits per auditor | 233 | 226 | 227 | 225 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Charges for Services | \$ 41,332 | \$ 30,973 | \$ 37,300 | \$ 30,130 |
| Reimbursements | 72,228 | 67,420 | 44,300 | 44,300 |
| Other Revenue | 2,765 | 2,437 | 3,500 | 3,000 |
| Total General Fund | \$ 116,324 | \$ 100,830 | \$ 85,100 | \$ 77,430 |
| Other Funds | | | | |
| Special Projects | 100,391 | 27,476 | 177,460 | 202,354 |
| Total Revenue | \$ 216,715 | \$ 128,306 | \$ 262,560 | \$ 279,784 |

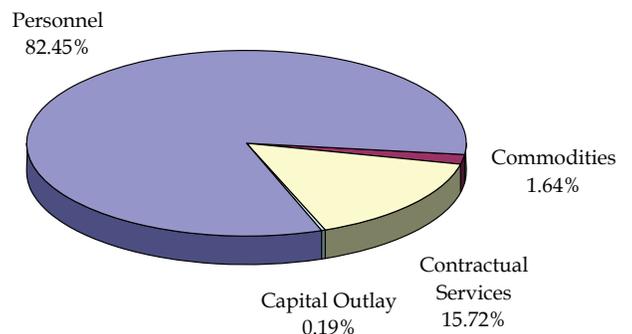
2012 Adopted Revenues
\$279,784



Department Expenditures by Category

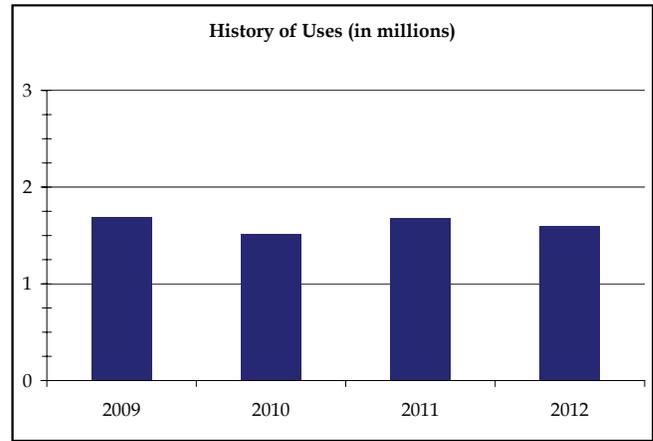
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$1,517,897 | \$1,406,238 | \$1,411,435 | \$1,321,561 |
| Commodities | 23,366 | 27,260 | 24,196 | 20,311 |
| Contractual Services | 49,903 | 53,070 | 65,029 | 61,327 |
| Capital Outlay | 3,218 | 319 | 3,600 | 3,020 |
| Total Uses | \$1,594,384 | \$1,486,887 | \$1,504,260 | \$1,406,219 |
| Other Funds | | | | |
| Special Projects | 100,391 | 27,476 | 175,000 | 196,702 |
| Total Department | \$1,694,775 | \$1,514,363 | \$1,679,260 | \$1,602,921 |
| Personnel FTE | 20 | 17.1 | 16.6 | 15.1 |

2012 Adopted Uses
\$1,602,921



Program Expenditures

| | 2009 | 2010 | 2011 | 2012 |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| | Actual | Actual | Adopted | Adopted |
| Bureau of Equalization | \$1,594,384 | \$1,486,887 | \$1,504,260 | \$1,406,219 |
| Remonumentation Prog | 100,391 | 27,476 | 175,000 | 196,702 |
| Total | \$1,694,775 | \$1,514,363 | \$1,679,260 | \$1,602,921 |



Significant Budget Issues

The department did not fill a vacated Appraiser III position at the end of 2011 and that position was eliminated from the 2012 budget for a net savings of \$92,516 in wages and benefits. Also, a half-time Retiree Rehire was not budgeted in 2012.

Significant Accomplishments

- The department completed all reappraisal work in Algoma Township in 2011.
- The department continues to collaborate with the City of Grand Rapids on split services.
- In 2012, the department will enter into new contracts with the City of Grand Rapids Surveyor to act as representative to the County Remonumentation Program.
- In 2012, the department will contract with Montcalm County for Equalization Director Services.

County Clerk/Register of Deeds

County Administration Building
300 Monroe Avenue NW, Grand Rapids, MI 49503-2206
Phone: (616) 632-7640 Fax: (616) 632-7645

Mission

Maintain public records for the citizens of Kent County. Disseminate information requested in a proficient, timely manner.

Overview

The Kent County Clerk's Office has three major functions: to manage County elections; to manage vital County records; and to process and maintain all Circuit Court files. In Kent County, the Clerk is also the Register of Deeds. The Clerk is also the Clerk of the Board of Commissioners, and statutorily serves on numerous County boards and commissions

The County Clerk's Elections Division oversees all elections conducted in Kent County including all school elections and monitors campaign finance law.

The Register of Deeds Office records all documents pertaining to real property in Kent County, including deeds, mortgages, land contracts, liens and other documents pertaining to real estate.

The Clerk files, stores, and retains original vital records (i.e., birth, death, and marriage records), and makes certified copies of said records available to the public. The Clerk also processes applications for concealed weapons licenses, notary publics, business registrations and records military discharges. Since 2005, the division moved to an imaged system converting old microfilm documents to digital images to better serve the public.

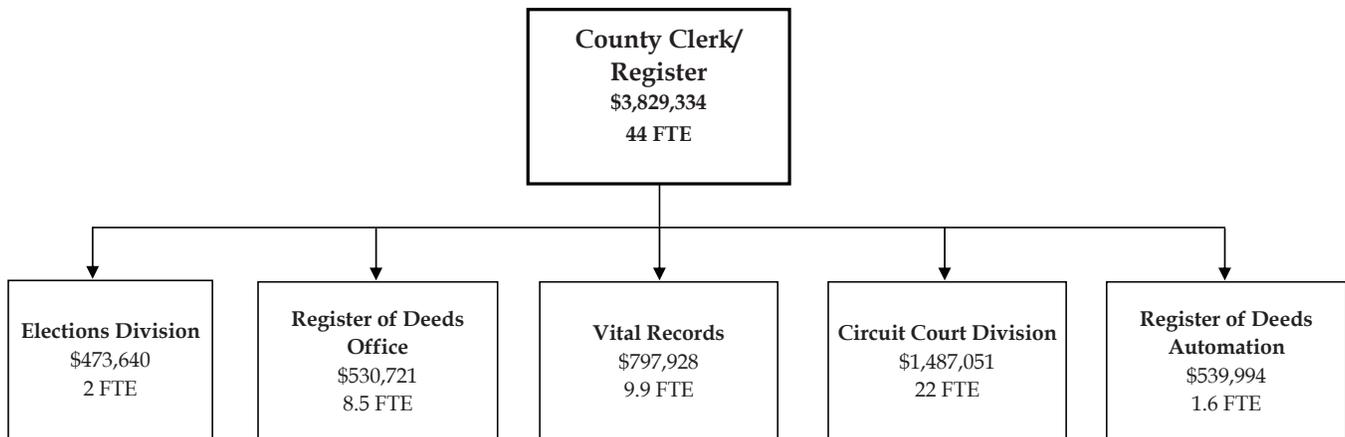
As Clerk of the Circuit Court, she keeps the Circuit Court's records. The Clerk opens, maintains, tracks, and stores the records for all cases filed in the Circuit Court including all juvenile court cases. Court files are public records, and may be inspected at the Clerk's Office. Litigants file at the Clerk of the Court's office for divorce, other family matters (e.g., paternity, custody, and juvenile support), civil actions for which the amount of damages exceeds \$25,000, and other civil matters over which the Circuit Court has jurisdiction. All felony criminal cases are filed with the Clerk. The Clerk of the Court's financial division processes payments for court-ordered fines, costs, restitution, forensic fees, and other assessments.

Strategic Goals

Strategic issues for the Department include:

- Politically advocate for stream-lined election laws that improve voting process and enhance the integrity of elections; and
- Protect current revenue streams and explore methods to ensure changes in statutory allowable fees cover costs.

Organizational Chart



Hours for full-time equivalent employees, from the Register of Deeds and Vital Records offices have been allocated to Register of Deeds' Automation in an effort to increase electronic efficiencies.

Operational Goals

- To comply with federal and state statutes and rules that govern elections
- To process and maintain filings/records in accordance with federal and state statutes and policies to ensure the integrity of the legally deemed vital records of the community
- To distribute information requested in a timely manner
- To process and maintain filings/records in accordance with federal and state statutes, State Court Administrator's office policies and Michigan Rules of Court to ensure the integrity of records
- To promptly process and accept for public record all documents received pursuant to the Michigan Recording Act

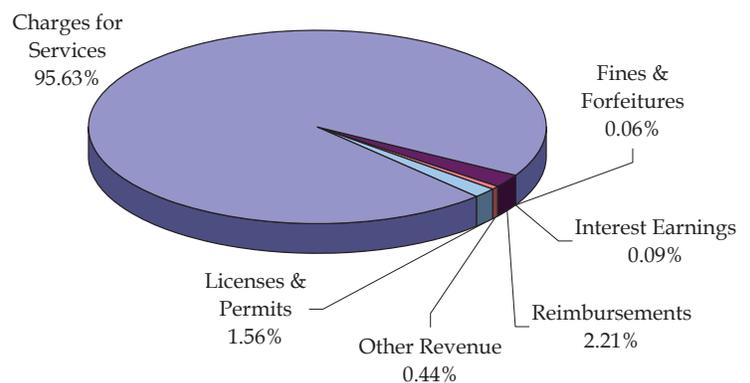
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------|---------|---------|---------------|
| Outcome: | | | | |
| Percent of voter registrations processed in 5 days | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of supplies distributed to all precincts 30 days prior to election | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of election notices published 10 days before election | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of vital records received that were accurately indexed | 100.00% | 100.00% | 99.90% | 99.90% |
| Percent of information requests processed within 4 business days (Vital's) | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of filed documents (in files), filed accurately (Court) | 99.00% | 99.00% | 99.00% | 99.00% |
| Percent of documents placed in files within 5 business days (Court) | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of files requested annually, pulled in a timely manner (Court) | NA | NA | 99.50% | 99.50% |
| Percent of documents recorded within 5 business days (Deed's) | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of documents indexed accurately (Deed's) | 99.50% | 99.50% | 99.50% | 99.50% |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Licenses & Permits | \$ 98,549 | \$ 89,498 | \$ 88,000 | \$ 85,000 |
| Charges for Services | 4,615,898 | 4,608,905 | 4,420,300 | 4,667,890 |
| Fines & Forfeitures | 5,000 | 3,168 | 1,000 | 3,300 |
| Reimbursements | 71,619 | 80,214 | 94,000 | 120,300 |
| Other | 24,624 | 22,751 | 24,000 | 24,000 |
| Total General Fund | \$4,815,691 | \$4,804,536 | \$4,627,300 | \$4,900,490 |
| Other Funds | | | | |
| ROD Automation | 592,601 | 540,781 | 575,000 | 540,000 |
| Total Revenue | \$5,408,291 | \$5,345,317 | \$5,202,300 | \$5,440,490 |

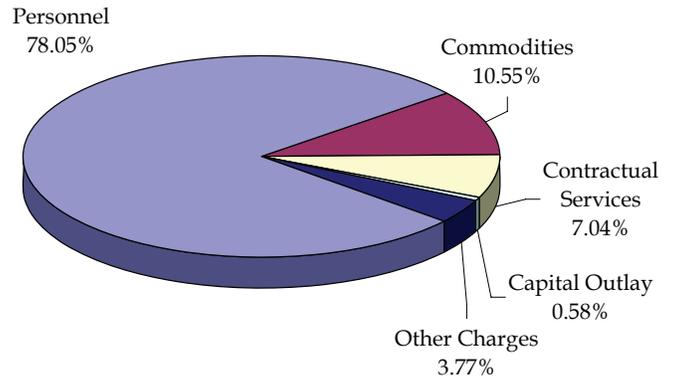
**2012 Adopted Revenues
\$5,440,490**



Department Expenditures by Category

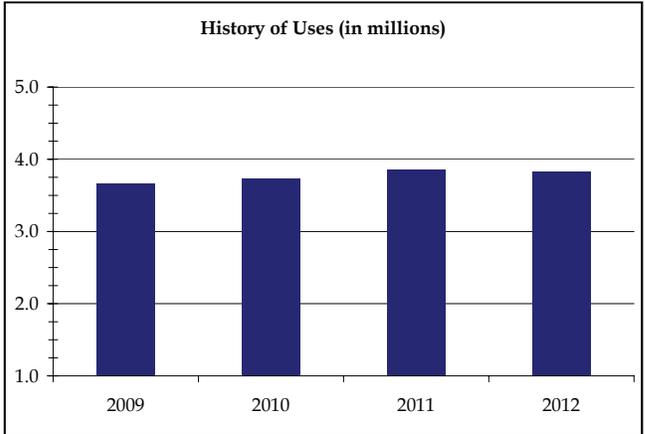
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$2,954,687 | \$2,927,554 | \$2,999,328 | \$2,864,060 |
| Commodities | 201,571 | 301,607 | 197,500 | 370,050 |
| Contractual Services | 56,225 | 76,206 | 62,273 | 52,430 |
| Capital Outlay | 933 | 2,980 | 2,800 | 2,800 |
| Total Uses | \$3,213,416 | \$3,308,347 | \$3,261,901 | \$3,289,340 |
| Other Funds | | | | |
| Special Projects | 452,397 | 427,090 | 595,284 | 539,994 |
| Total Department | \$3,665,813 | \$3,735,437 | \$3,857,185 | \$3,829,334 |
| Personnel FTE | 50 | 48 | 46.5 | 44 |

**2012 Adopted Uses
\$3,829,334**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------|--------------------|--------------------|--------------------|--------------------|
| Circuit Court | \$1,387,430 | \$1,443,380 | \$1,527,333 | \$1,487,051 |
| Elections | 269,961 | 409,071 | 300,330 | 473,640 |
| Vital Records | 889,667 | 847,409 | 885,435 | 797,928 |
| Register of Deeds | 666,357 | 608,487 | 548,803 | 530,721 |
| ROD-Automation | 452,397 | 427,090 | 595,284 | 539,994 |
| Total | \$3,665,813 | \$3,735,437 | \$3,857,185 | \$3,829,334 |



Significant Budget Issues

The budget spikes up during even numbered years due to costs associated with the type of elections held in even numbered years (i.e., state-wide gubernatorial, or presidential elections).

For 2012, one vacant full-time Clerk II position was eliminated from Vital Records, one vacant Clerk Typist I position was eliminated from the Circuit Court and a net one-half vacant clerical position was eliminated from the Register of Deeds for 2012.

Significant Accomplishments

- Developed the processes and procedures necessary to implement e-business court, as ordered by the Supreme Court. This special business court will be implemented in March 2012.

Kent/MSU Cooperative Extension

775 Ball Avenue NE, Grand Rapids, Michigan 49503
Phone: (616) 336-3265 Fax: (616) 336-3836

Mission

A University/Community partnership connecting education to life to meet the challenges of a changing and diverse society.

Overview

Michigan State University (MSU) Extension in Kent County is part of a statewide information and education delivery network, applying university level, research-based knowledge to locally-identified critical issues. We respond to local needs through a unique partnership of County, State and Federal resources. Information is extended to Kent County residents through the MSU non-formal education system, which assists individuals, families and communities to make better decisions.

Kent/MSU Extension services are divided into three program areas. In the Agriculture, Horticulture, and Natural Resource program area, education is provided on topics including: agriculture in the bio-economy, agri-security, pesticide use, animal waste management, farm marketing, financial planning, and other farm management topics. Horticulture offerings include plant and soil diagnostics, Green Industry business assistance and education, the MSU Extension Master Gardener program, and consumer assistance through the horticulture hot line.

Children, Youth, Families and Communities programs focus on research based education in food and nutrition, personal finance, youth and volunteer development. Geared toward prevention, educators work within the community to help individuals and agencies survive and thrive in tough economic times. You may find MSUE educators and instructors in homes, food pantries, working with developmentally challenged youth and adults, engaging seniors in improving their health, in-school or after-school programming, and in youth development clubs. Community agencies and employers also host MSU Extension education classes and partner with us through train-the-trainer programming, creating capable community based educators throughout Kent County.

Land use education and capacity building are primary focus areas of the Community and Economic Development program. Local units of government, community-based organizations, public officials and citizens participate in a variety of educational programs on many aspects of community development.

Operational Goals

- Improve dietary outcomes for adults, youth, new mothers and infants following participation in Extension educational programs
- Increase participation in educational programs for youth and for adult leaders that will develop their skills in leadership, and in science, engineering and/or technology
- Ensure viability of agricultural and green industries in Kent County

Strategic Plan

Strategic issues for the Department include:

- Expand the bio-fuel development sales of agricultural products grown in Kent County via efforts with MSU researchers; and
- Bring research from MSU to Kent County in multiple educational program areas: nutrition and health, youth development, agriculture and natural sciences, urban and rural development.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|--------|--------|--------|---------------|
| Outcome: | | | | |
| Percent of people making improvement in diet per ERS report | 93.00% | 90.00% | 90.00% | 90.00% |
| Percent of 4-H volunteers and members who report an increase in knowledge in science, engineering or technology | NA | 33.60% | 45.00% | 50.00% |
| Outputs: | | | | |
| Number of participants in field-crop, financial management and/or income production-related classes | 261 | 415 | 365 | 400 |

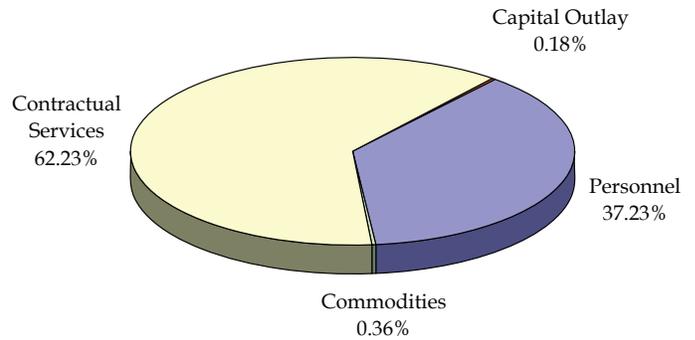
Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|------------------|------------------|------------------|--------------|
| Other Funds | | | | |
| Special Projects | 46,130 | 48,801 | 35,708 | - |
| Total Revenue | \$ 46,130 | \$ 48,801 | \$ 35,708 | \$ - |

Department Expenditures by Category

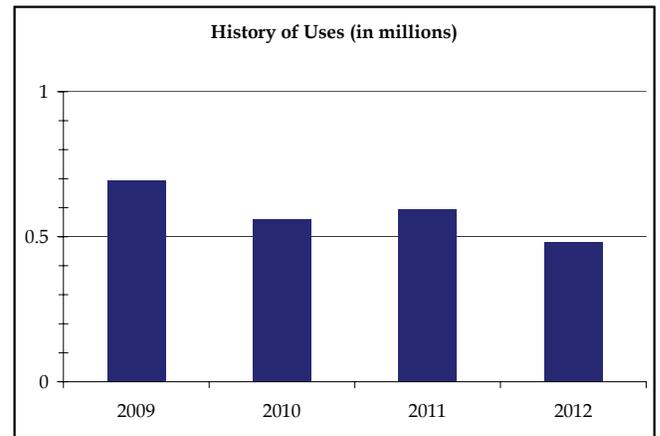
| | 2009 Actual | 2009 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Personnel | \$ 319,622 | \$ 254,293 | \$ 263,404 | \$ 178,680 |
| Commodities | 19,854 | 21,288 | 24,464 | 1,750 |
| Contractual Services | 294,895 | 239,256 | 268,908 | 298,695 |
| Capital Outlay | 6,013 | 5,712 | 2,455 | 875 |
| Total Uses | 640,384 | 520,549 | 559,231 | 480,000 |
| Other Funds | | | | |
| Special Projects | 52,163 | 40,440 | 35,708 | - |
| Total Department | \$ 692,547 | \$ 560,989 | \$ 594,939 | \$ 480,000 |
| Personnel FTE | 5.5 | 4.5 | 4 | 2.5 |

2012 Adopted Uses \$480,000



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-----------------------|-------------------|-------------------|-------------------|-------------------|
| Cooperative Extension | \$ 640,384 | \$ 520,549 | \$ 559,231 | \$ 480,000 |
| Healthy Kids/Families | 25,472 | - | - | - |
| Mississippi Food Netw | 26,691 | 40,440 | 35,708 | - |
| Total | \$ 692,547 | \$ 560,989 | \$ 594,939 | \$ 480,000 |



Significant Budget Issues

One full time support position and one half-time position, an Education Assistant/horticulture programs (County funded), were eliminated to reduce expenditures and meet budget goals for the 2012 fiscal year for a decrease of 1.5 FTEs. As the county and MSU Extension transitioned to a Memorandum of Agreement format, county funding for 2.2 FTE of educator salary was ended in order to meet the 2012 budget goal which included the cost of the 2012 Memorandum of Agreement.

Significant Accomplishments

- The West Michigan “Farm to Institution” program was launched in 2011 by MSU Extension educator Kendra Wills to link local school districts, colleges and hospitals with local fruit and vegetable farmers.
- More than 2,300 elementary students in Kent County took part in the MSUE 4-lesson nutrition education series “Show Me Nutrition”. Students learned to read nutrition labels, increased their choice of healthy vs. non-healthy snacks and increased their consumption of milk, cheese and yogurt.
- In 2011, more than 700 Kent county 4-H youth participated in science-related activities such as “vet-a-visit”, the 4-H Science Blast, and the National 4-H Science Experiment. 4-H leaders also received training on incorporating science into the 4-H club experience.
- Weekly tree fruit pest updates provided to local commercial fruit growers by MSUE educator Amy Irish-Brown, continue to assist these growers in planning their decisions relative to pest management. When surveyed, growers stated that the information presented was unique and not available elsewhere.
- The 2011 Michigan Greenhouse Expo, held in Grand Rapids from December 6-8, 2011, provided education to 940 individuals working in floriculture-related businesses. Topics covered included horticulture, entomology, the Environmental Assurance Program, as well as production and marketing. In 2012, the wholesale value of floriculture crops produced in Michigan was \$402.7 million; educational and research support of this industry is very important.
- Kent MSU Extension hosted the 2011 Master Gardener College. This included bus tours for the 200 participants to local agricultural facilities, a hands-on walking lab experience, and an educational tour of the Grand Ideas Garden at the local MSUE location.

Drain Commissioner

1500 Scribner NW, Grand Rapids, Michigan 49504

Phone: (616) 336-3688 Fax: (616) 336-3575

Mission

The mission of the Kent County Drain Commissioner's office is to improve and maintain storm water drainage for the public health, safety, convenience, and welfare of the citizens of Kent County and also to be an effective and efficient steward of our natural and fiscal resources.

Overview

The County Drain Commissioner is elected to a four-year term to perform a number of duties assigned by State law. The office of the Drain Commissioner is responsible for the administration of the State Drain Code as it applies to the receipt of petitions for the establishment, improvement or maintenance of over 536 miles of County Drain and 356 storm water detention ponds in Kent County. Under the Subdivision Control Act, this office reviews storm water plans for all plats developed within the County and maintains records on over 1,800 developments. Other duties include the administration of 19 court established lake levels under the Lake Level Act, participation in the NPDES Phase II program, participation on lake improvement boards, maintenance of the GIS system as it pertains to County Drains and the resolution of citizen complaints and requests for service.

Currently, this office is actively developing a project and meeting with local government engineers and FEMA to solve flooding of homes in the Shawmut Hills area of Grand Rapids, undertaking a project to address the erosion of the stream bed and banks of the Black Creek Inter-County Drain which is causing sedimentation of Lincoln Lake and is constructing modifications to a regional detention pond on the Silver Creek Watershed to solve flooding problems experienced by homes in the vicinity of the pond.

Operational Goals

- Administer the Drain Code (Act 40, PA of 1956) as it pertains to the establishment and maintenance of drains in Kent County
- Administer the Subdivision Control Act (Act 288, PA of 1967) as it applies to storm water management
- Administer the Lake Level Act (Part 307, Act 451, PA of 1994) as it pertains to the establishment and maintenance of lake levels in Kent County

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------|---------|---------|------------------|
| Outcome: | | | | |
| Percent of responses to complaints/requests within 2 days | 93.00% | 86.00% | 81.00% | 90.00% |
| Percent of complaints/requests resolved within 90 days | 96.00% | 92.00% | 96.00% | 90.00% |
| Percent of drain permit request processed within 2 days | 95.00% | 95.00% | 100.00% | 90.00% |
| Subdivision Control Act: % site plans reviewed within 30 days of receipt | 100.00% | 100.00% | 100.00% | 100.00% |
| Lake Level Act: percent of lake level dams inspected | 100.00% | 100.00% | 100.00% | 100.00% |
| Output: | | | | |
| Drainage problems resolved | 160 | 149 | 131 | 120 |
| Drain permit applications reviewed | 14 | 15 | 13 | 20 |

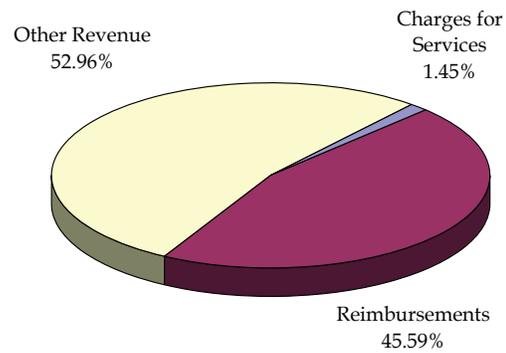
Significant Accomplishments

- On behalf of Kent County, the Drain Commissioner's Office has inventoried the storm water controls on all the properties owned by the County. This information was compiled in a Storm Water Pollution Prevention Plan as mandated by the U.S. Environmental Protection Agency and the Michigan DNRE.

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Charges for Services | \$ 3,299 | \$ 1,222 | \$ 3,500 | \$ 2,100 |
| Reimbursements | 14,846 | 54,282 | 61,500 | 66,160 |
| Total General Fund | \$ 18,146 | \$ 55,504 | \$ 65,000 | \$ 68,260 |
| Other Funds | | | | |
| Special Projects | 75,430 | 91,972 | 76,520 | 76,862 |
| Total Revenue | \$ 93,576 | \$ 147,476 | \$ 141,520 | \$ 145,122 |

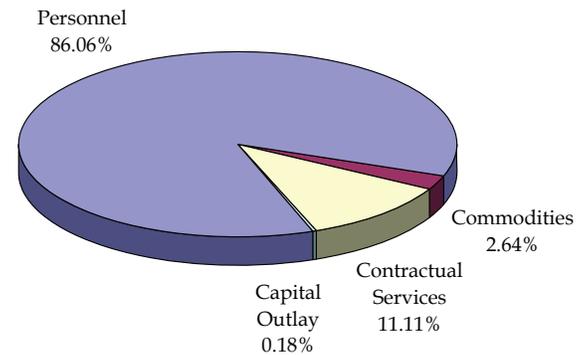
**2012 Adopted Revenues
\$145,122**



Department Expenditures by Category

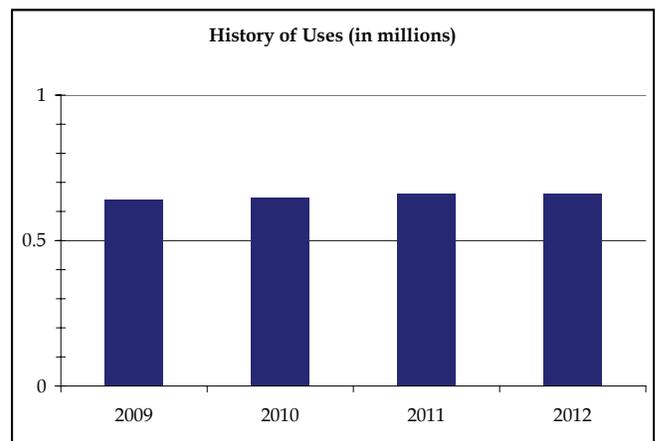
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Personnel | \$ 474,076 | \$ 480,637 | \$ 497,374 | \$ 493,105 |
| Commodities | 22,596 | 8,964 | 16,515 | 17,515 |
| Contractual | 67,549 | 66,415 | 70,312 | 73,581 |
| Operating Capital | 1,800 | 1,200 | 1,200 | 1,200 |
| Total Uses | \$ 566,021 | \$ 557,215 | \$ 585,401 | \$ 585,401 |
| Other Funds | | | | |
| Special Projects | 75,430 | 91,972 | 76,520 | 76,862 |
| Total Department | \$ 641,451 | \$ 649,187 | \$ 661,921 | \$ 662,263 |
| Personnel FTE | 6.5 | 6.5 | 6.2 | 6.2 |

**2012 Adopted Uses
\$662,263**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| Drain Commissioner | \$ 557,053 | \$ 544,411 | \$ 570,401 | \$ 570,401 |
| Drains County at Large | 8,967 | 12,804 | 15,000 | 15,000 |
| Drains - Black Ck/Linco | - | 17,336 | - | - |
| Drains - Special Assess | 75,430 | 74,636 | 76,520 | 76,862 |
| Total | \$ 641,451 | \$ 649,187 | \$ 661,921 | \$ 662,263 |



Significant Budget Issues

For the 2012 Budget Year, there are no significant budget issues to report.

Facilities Management

County Administration Building
 300 Monroe Avenue NW, Grand Rapids, MI 49503-2206
 Phone: (616) 632-7600 Fax: (616) 632-7715

Mission

To manage County facilities and projects striving for customer satisfaction by recognizing and meeting the needs of departments, providing a safe environment for employees and visitors, while maintaining fiscal responsibility, in accordance with the policies and procedures of Kent County.

Overview

The Facilities Management Department provides technical and managerial support of County buildings and properties. The department renovates, repairs, maintains, constructs, and operates County properties; manages major capital improvement projects; and monitors and tracks leases between other departments and private businesses and other governmental units. The department is also involved in the sale and purchase of County facilities and real estate.

Strategic Goals

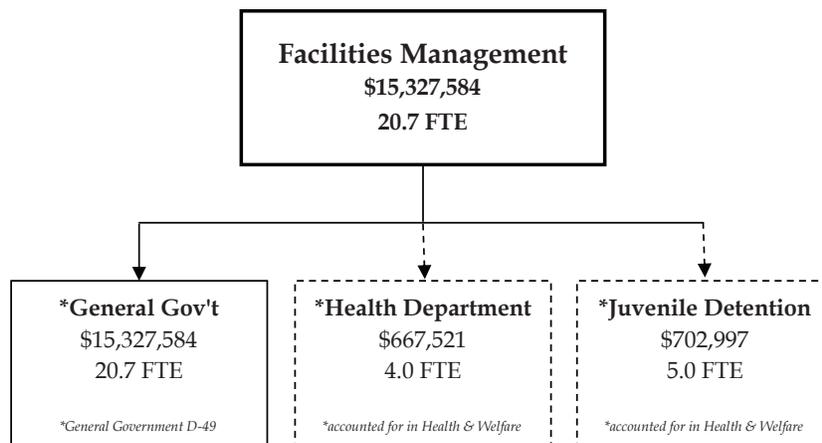
Strategic issues for the Department include:

- Develop a sustainability mentality to enhance environmental preservation within county facilities.

The department has budgetary control of the operation and maintenance of multiple County properties, including the County Administration Building, Kent County Courthouse, 82 Ionia, Juvenile Detention Center, Health Department facilities (including clinics and Animal Shelter), and numerous other County facilities and properties. Approximately 1.3 million square feet of County facilities are included in the responsibilities of the department. Expenses incurred for the operation and maintenance of these properties, as well as Facilities Management Administration, are included in the department history of uses.

Currently under construction, the Correctional Facility Jail Bed Replacement Project will continue through 2012 with scheduled completion in March 2013. Also underway is the interior lighting replacement for the County Administration Building (Energy Conservation Project). Other projects for 2012 include the Combined South Health Department Clinics, Health Department roof replacement, Elevator Controls Replacement - County Administration Building.

Organizational Structure



* Facilities Management includes 29.7 total FTE, 20.7 FTE in the General Government Functional Area and 9.0 FTE in the Health & Welfare Functional Area. See page D-76 for the Health Department and page D-74 for Juvenile Detention which is under the Child Care Division.

Operational Goals

- Provide safe, quality, value-based Facilities Management services to Kent County
- To plan, organize and administer County building project development, including land acquisition and sale; facility renovation and construction projects and administer the County Lease program, for the best Value-maximizing quality and minimizing cost, for long term asset preservation

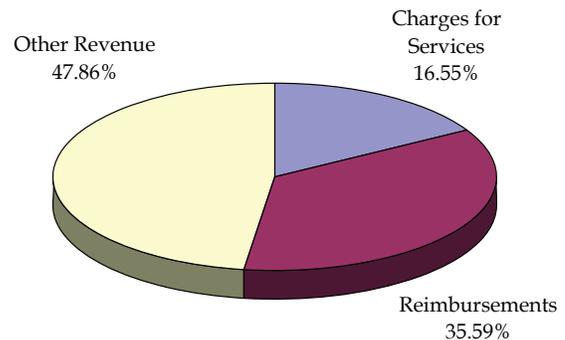
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|-----------|-----------|----------|---------------|
| Outcome: | | | | |
| Natural gas savings through the utilities program | \$170,000 | \$150,000 | \$17,000 | \$19,000 |
| Percent of maintenance projects, tracked by CMMS, completed on schedule | 95.00% | 86.00% | 94.75% | 90.00% |
| Cost of utilities per square feet of building | \$2.13 | \$1.65 | \$1.79 | \$1.80 |
| Percent of projects over \$25,000 completed on or under budget | 100.00% | 100.00% | 100.00% | 100.00% |
| Efficiency: | | | | |
| Square feet managed per employee | 40,895 | 42,537 | 42,562 | 42,621 |
| Average cost per square feet of building | \$7.88 | \$6.29 | \$5.85 | \$6.00 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Charges for Services | \$1,229,300 | \$1,267,330 | \$1,299,400 | \$1,336,546 |
| Reimbursements | 2,876,365 | 2,842,456 | 3,103,291 | 2,874,946 |
| Other Revenue | 2,926,440 | 2,354,771 | 3,639,778 | 3,861,407 |
| Total General Fund | \$7,032,104 | \$6,464,556 | \$8,042,469 | \$8,072,899 |
| Other Funds | | | | |
| Special Projects | 6,213 | 103,430 | 4,050 | 4,000 |
| Total Revenue | \$7,038,317 | \$6,567,986 | \$8,046,519 | \$8,076,899 |

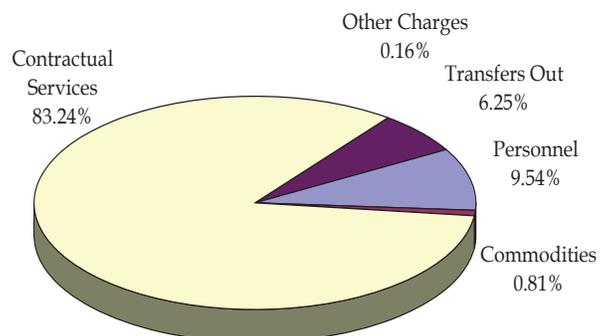
2012 Adopted Revenues
\$8,076,899



Department Expenditures by Category

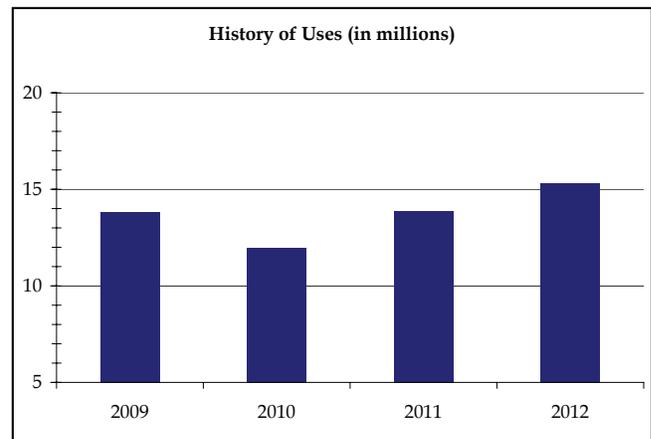
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Personnel | \$ 3,028,507 | \$ 1,452,149 | \$ 1,446,311 | \$ 1,462,257 |
| Commodities | 107,482 | 101,112 | 133,900 | 123,500 |
| Contractual | 9,633,500 | 9,178,367 | 11,345,950 | 12,754,498 |
| Operating Capital | 1,349 | 19,225 | - | - |
| Other Expense | 89,444 | 109,005 | 3,556 | 25,077 |
| Transfer to Cap Imp Bc | 960,550 | 961,050 | 963,263 | 958,252 |
| Total Uses | \$13,820,832 | \$11,820,908 | \$13,892,980 | \$15,323,584 |
| Other Funds | | | | |
| Special Projects | 2,147 | 166,185 | 4,000 | 4,000 |
| Total Department | \$13,822,978 | \$11,987,093 | \$13,896,980 | \$15,327,584 |
| Personnel FTE | 47.5 | 36.5 | 20.5 | 20.7 |

2012 Adopted Uses
\$15,327,584



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| Administration | \$ 363,689 | \$ 321,763 | \$ 345,553 | \$ 339,604 |
| Administration Bldg | 499,696 | 578,959 | 645,810 | 569,000 |
| 63rd District Court | - | 135,419 | 206,338 | 150,910 |
| 82 Ionia | 1,383,584 | 1,012,759 | 1,369,819 | 1,260,407 |
| 511-525 North Monroe | 350,525 | 351,225 | 353,350 | 349,488 |
| Boiler Plant Operations | 1,203,779 | 1,307,356 | 1,309,400 | 1,346,546 |
| Cooperative Extension | 37,982 | 35,520 | 36,281 | 34,460 |
| Courthouse | 8,464,820 | 6,859,083 | 8,262,140 | 8,203,933 |
| DHS Building | 325,936 | - | - | - |
| Human Services Comp | 1,022,836 | 1,057,188 | 1,211,397 | 2,925,182 |
| IT Building | 145,637 | 147,758 | 136,060 | 129,000 |
| Northwest Center | 14,520 | 13,878 | 16,832 | 15,054 |
| Paul I. Phillips Gym | 7,829 | - | - | - |
| Fallasburg Dam | 2,147 | 166,185 | 4,000 | 4,000 |
| Total | \$13,822,978 | \$11,987,093 | \$13,896,980 | \$15,327,584 |



Significant Budget Issues

Personnel changes from 2010 to 2011 include moving 13 full-time Corrections Officers and one County Police Cadet to the Sheriff’s Department for security at the Courthouse and 82 Ionia. Also, two vacant positions, a Facilities Manager and a Custodial Supervisor, were eliminated in 2010 with the work-load being reallocated to existing staff. The impacts of which are still being felt. For 2012, the budgeted hours for a part-time administration position were increased by 0.2 FTE, while natural gas prices have recently declined, projected rate increases for electricity remain challenging.

Significant Accomplishments

- Construction completion of the Human Services Complex, the consolidated 63rd District Court, and the new Animal Shelter.
- Renovation of the Fuller Complex Powerhouse, the Fuller Complex Circulation Drive and parking areas, and the Juvenile Detention – Support Services Area (with substantial mechanical upgrades to HVAC for the entire facility).
- Ongoing substantial energy conservation with Building Automated Controls for HVAC Systems.
- Replacement of the exterior glass in the County Administration Building with energy efficient windows.



Kent County 63rd District Court facility

Fiscal Services

County Administration Building
 300 Monroe Avenue NW, Grand Rapids, MI 49503
 Phone (616) 632-7670 Fax: (616) 632-7675

Mission

To provide an efficient cost-effective financial management system that facilitates sound financial planning and reporting while safeguarding the County's assets from loss; and to provide support services to other County departments.

Overview

Fiscal Services is responsible for all accounting, budgeting, and payroll activities. The department processes payroll for County employees, all accounts payable, and some invoicing for accounts receivable for County departments. Fiscal Services is also responsible for securing an annual financial audit. The department's budget division manages the development and maintenance of the County's annual budget and Capital Improvement Program. Fiscal Services also provides oversight to the Central Services, Fleet Services, Risk Management (see Other Functional Area, page D-122), and Purchasing offices.

Strategic Goals

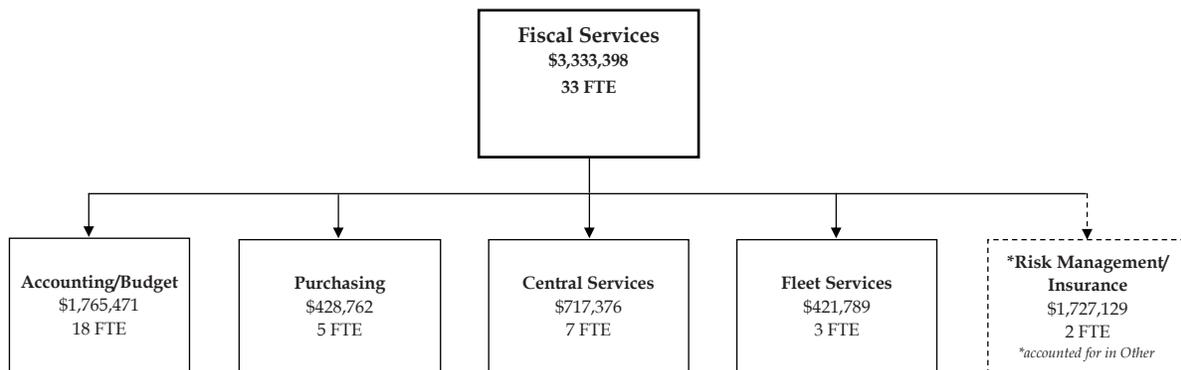
Strategic issues for the Department include:

- Develop internal and external communications strategy;
- Grow/enhance a participative employee culture;
- Reduce cost of Kent County government operations; and
- Diversify sources of revenue.

Operational Goals

- To coordinate the County's annual audit processes and ensure that a comprehensive annual financial report (CAFR) is available for distribution within the State mandated time frame
- To provide accurate and timely vendor and reimbursement payments
- To prepare and maintain an operating and capital improvement budget that is responsive to the needs of the County
- To provide accurate payroll information while meeting all federal, state and local reporting deadlines
- To provide cost-effective document management services in support of County departments in a timely manner
- To implement purchasing process improvements to increase efficiency through ongoing process review, standardization, and improved response in executing the Purchasing Mission
- To maintain an adequate parts inventory to minimize the time vehicles are out of service
- To provide a preventive maintenance program on a scheduled basis consistent with manufacturer and professional standards

Organizational Structure

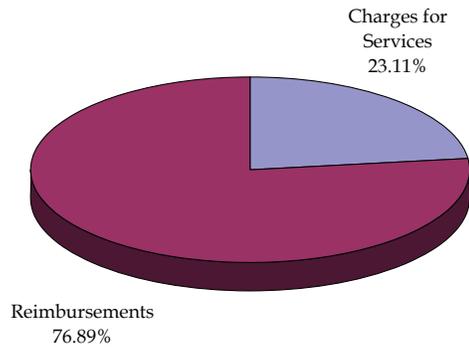


* Fiscal Services includes 35 total FTE, 33 FTE in the General Government Functional Area and 2.0 in the Other Functional Area for Risk Management/Insurance on page D-120.

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Charges for Services | \$ 257,762 | \$ 248,640 | \$ 310,500 | \$ 255,170 |
| Reimbursements | 1,394,620 | 1,352,689 | 1,425,207 | 848,999 |
| Total Revenue | \$1,652,382 | \$1,601,329 | \$1,735,707 | \$1,104,169 |

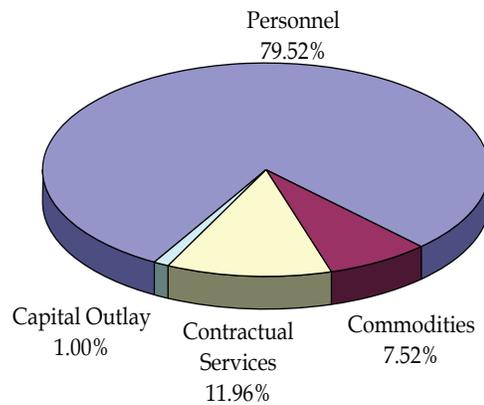
**2012 Adopted Revenues
\$1,104,169**



Department Expenditures by Category

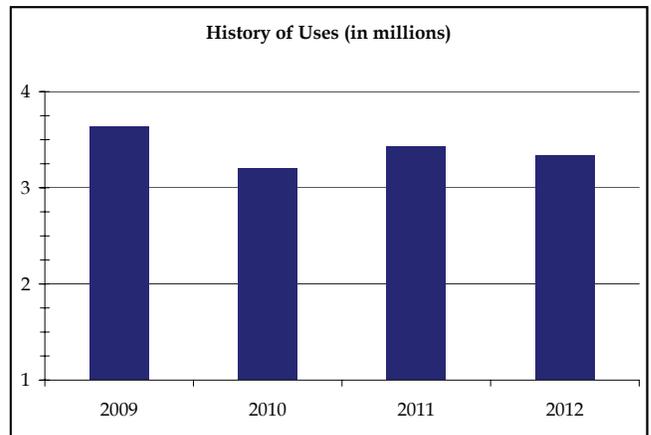
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$2,906,540 | \$2,570,578 | \$2,694,875 | \$2,650,787 |
| Commodities | 272,391 | 232,365 | 266,390 | 250,530 |
| Contractual | 381,275 | 365,016 | 428,397 | 398,613 |
| Operating Capital | 72,320 | 33,947 | 39,864 | 33,468 |
| Total Uses | \$3,632,525 | \$3,201,906 | \$3,429,526 | \$3,333,398 |
| Personnel FTE | 38 | 34 | 33.5 | 33 |

**2012 Adopted Uses
\$3,333,398**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------|--------------------|--------------------|--------------------|--------------------|
| Accounting/Budget | \$1,826,861 | \$1,661,071 | \$1,782,645 | \$1,765,471 |
| Purchasing | 498,308 | 426,435 | 448,078 | 428,762 |
| Central Services | 816,627 | 728,389 | 770,207 | 717,376 |
| Fleet Services | 490,729 | 386,011 | 428,596 | 421,789 |
| Total | \$3,632,525 | \$3,201,906 | \$3,429,526 | \$3,333,398 |



Accounting/Budget Division

The Accounting Division processes payroll for County employees, all accounts payable, and some invoicing for accounts receivable for County departments. The Accounting Division is also responsible for securing an annual financial audit. The Department's Budget Division manages the development and maintenance of the County's annual budget and Capital Improvement Program along with preparing an annual financial overview of the County.

In 2011, the Department received its 20th award in the last 21 years from GFOA for Excellence in Reporting for the County's Comprehensive Annual Financial Report for the year ending December 31, 2010.

The County also continued to receive the highest possible bond ratings in 2011. The County's bonds are rated by financial service agencies to provide a current grade of its creditworthiness, that is, its expected ability to pay off the principal and interest on the specific bonds issued. The major ratings agencies, including Moody's, and Standard Poor's (S & P), base their ratings on a government's management, tax base, debt levels and structures, and other financial factors. A high bond rating, reflecting a low risk to investors, allows the County to issue bonds at a lower interest rate; and therefore, at a lower long term cost to the County. The Fiscal Services Department will work to maintain those ratings for the County in 2012.

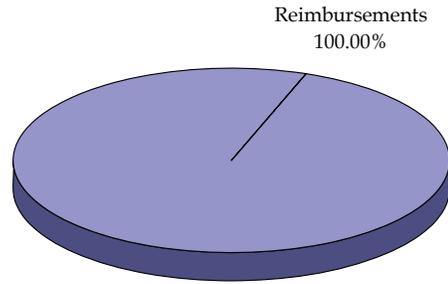
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|---------|---------|---------|---------------|
| Outcome: | | | | |
| CAFR distributed within 180 days of end of County's fiscal year | Yes | Yes | Yes | Yes |
| Percent of AP checks generated without error | 99.00% | 99.99% | 99.40% | 99.90% |
| Percent of Compliant Mileage/Travel Reimbursements processed within 10 business days of receipt | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of approved budget amendments processed within 2 business days | 99.51% | 99.70% | 99.59% | >99.00% |
| Percent variance in budget to actual revenues for the General Fund | -0.75% | -4.96% | TBD | <2.00% |
| Percent variance in budget to actual expenses for the General Fund | 2.49% | 5.16% | TBD | <2.00% |
| Percent of payroll checks issued without error | 99.99% | 99.99% | 99.80% | 99.90% |
| Percent of personnel using direct deposit | 89.00% | 90.00% | 92.00% | 92.00% |
| Output: | | | | |
| Number of accounts payable (AP) invoices processed | 69,402 | 65,046 | 65,534 | 65,000 |
| Number of mileage/travel reimbursements processed | 3,694 | 3,526 | 3,571 | 3,500 |
| Number of non-payroll checks issued | 31,622 | 29,916 | 26,184 | 23,700 |
| Number of payroll checks issued | 53,979 | 55,257 | 48,166 | 48,166 |
| Efficiency: | | | | |
| Accounts Payable (AP) invoices processed per FTE employee (3 FTE 2010, 2.5 FTE 2011) | 23,134 | 21,682 | 26,214 | 26,000 |
| Budget amendments processed per employee (3 FTE) | 206 | 223 | 243 | 233 |
| Payroll checks processed per FTE employee (3.5 FTE) | 15,423 | 15,788 | 15,052 | 15,052 |
| Effectiveness: | | | | |
| Consecutive number of years earned accreditation for GFOA Distinguished Budget Presentation Award | 7th | 8th | 9th | 10th |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Reimbursements | \$ 879,776 | \$ 778,403 | \$ 873,198 | \$ 383,541 |
| Total Revenue | \$ 879,776 | \$ 778,403 | \$ 873,198 | \$ 383,541 |

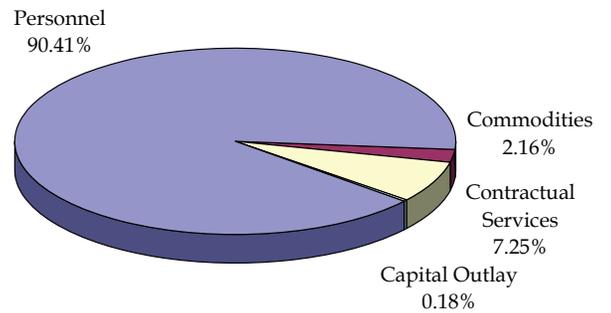
**2012 Adopted Revenues
\$383,541**



Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$1,644,050 | \$1,503,923 | \$1,607,583 | \$1,596,133 |
| Commodities | 58,901 | 38,793 | 47,000 | 38,100 |
| Contractual | 114,857 | 112,297 | 123,698 | 127,988 |
| Operating Capital | 9,053 | 6,059 | 4,364 | 3,250 |
| Total Uses | \$1,826,861 | \$1,661,071 | \$1,782,645 | \$1,765,471 |
| Personnel FTE | 20 | 19 | 18.5 | 18 |

**2012 Adopted Uses
\$1,765,471**

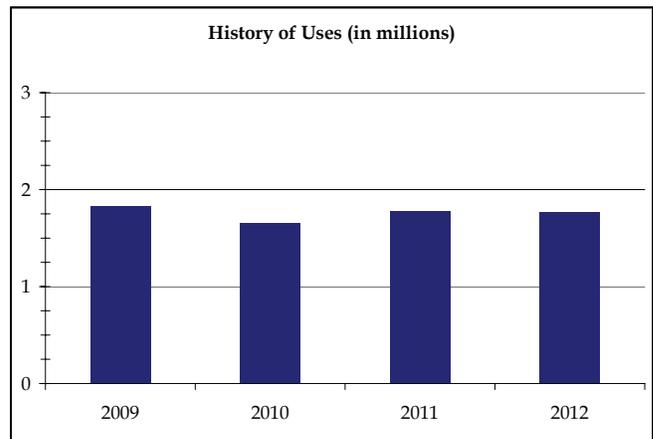


Significant Budget Issues

One part-time Clerk II was eliminated in 2012.

Significant Accomplishments

- During 2011, Kent County earned accreditation for the GFOA Distinguished Budget Presentation Award, for the ninth consecutive year. This award is the highest form of recognition in governmental budgeting. It reflects the commitment of Kent County to meeting the highest principles of governmental budgeting.



Purchasing Division

The Purchasing Division's primary responsibility is to procure goods and services for the departments of Kent County in a timely, efficient, and cost-effective manner while complying with the federal, state and local law as well as the policies of the Board of Commissioners.

The Division operates with the best interest of the tax paying public in mind and is held to the highest professional standard and ethics. The Division encourages broad-based participation through a fair and open competitive process; stresses the importance of creating equal opportunity for vendors to compete for public business opportunities using open market procedures; and emphasizes that the procurement process shall be conducted with integrity and transparency. The National Association of Purchasing Managers (NAPM) lists 12 principles or standards that purchasing professionals should follow. The Kent County Purchasing Division adheres to these standards as well as the policies established by the Board of Commissioners.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|--------|--------|--------|------------------|
| Outcome: | | | | |
| Percent of purchase orders and revisions distributed electronically | 86.00% | 92.00% | 92.00% | 90.00% |
| Output: | | | | |
| Purchase order originals processed | 2,964 | 2,983 | 3,126 | 3,000 |
| Efficiency: | | | | |
| Purchase order originals issued per FTE buyer (4 FTE) | 741.0 | 746.0 | 782.0 | 750.0 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Charges for Services | \$ 60 | \$ 182 | \$ - | \$ 190 |
| Reimbursements | 206,984 | 258,970 | 227,333 | 193,403 |
| Total Revenue | \$ 207,044 | \$ 259,152 | \$ 227,333 | \$ 193,593 |

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Personnel | \$ 481,840 | \$ 417,208 | \$ 424,231 | \$ 416,462 |
| Commodities | 1,968 | 2,830 | 4,080 | 1,680 |
| Contractual | 13,145 | 5,915 | 19,767 | 9,120 |
| Operating Capital | 1,355 | 481 | - | 1,500 |
| Total Uses | \$ 498,308 | \$ 426,435 | \$ 448,078 | \$ 428,762 |
| Personnel FTE | 6 | 5 | 5 | 5 |

Significant Budget Issues

There are no significant budget issues to report.

Significant Accomplishments

- The Kent County Purchasing Division is a recognized leader in public procurement. Numerous news articles were published in 2011 by West Michigan news agencies and nationally recognized organizations such as NIGP Institute for Public Procurement regarding County procurement best practices. Purchasing Manager, Jon Denhof, was awarded the 2011 Marvin F. Klang Award from the Michigan Public Purchasing Officers Association. This is the highest honor that the MPPOA can bestow upon an individual. Purchasing is a member of the Regional Alliance for Diversity in Public Purchasing that promotes development and business opportunities in Michigan, streamlines the procurement process, promotes development of a strong and diverse vendor network, builds business alliances, and provides a communication platform for vendors wanting to learn how to do business with public agencies along with The Monday Group, a local group of businesses and public officials that discuss and promote business opportunities in the public sector.

Central Services Division

The Central Services department provides the following services to County departments: printing, microfilming, messenger, mail processing, and a secure records storage space.

The printing services offered include: graphic design, digital printing/copying, color copying, collating, binding, cutting, laminating, and folding. Printed items such as forms, letterheads, business cards, brochures, newsletters, directories, and reports are produced in this area of the department.

The microfilming service produces 16mm and 35mm microfilm rolls from paper originals of marriage, birth and death certificates, and Probate and Circuit Court records. Archival digital media film is also created for the Register of Deeds office from their scanned deed and mortgage images.

Messenger delivery service provides daily delivery and exchange of inter-office envelopes, U.S. Mail, and other packages between County departments. The mail area is responsible for the pick-up and delivery of inter-office mail and U.S. Mail for the County Administration Building. Postage is also applied to out-going U.S. Mail using a mail processing machine. The record storage facility, located at 223 Washington Street, SE, provides State-mandated, secure off-site document storage for County departments.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|---------|----------|---------|------------------|
| Outcome: | | | | |
| Percent of print jobs completed by requested due date | 99.92% | 99.55% | 92.95% | 98.00% |
| Amount saved via presorting mail | \$9,965 | \$10,869 | \$8,429 | >\$8,500 |
| Average customer satisfaction rating of messenger service | 4.80 | NA | 4.50 | 4.90 |
| Average customer satisfaction rating on Administrative Survey | 3.53 | 3.43 | TBD | 3.58 |
| Efficiency: | | | | |
| Microfilm frames processed per hour | 318 | 298 | 282 | >285 |
| Total print jobs per employee (3 FTE 2009, 2 FTE 2010 & 2011) | 843 | 1210 | 1121 | 1175 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Charges for Services | \$ 231,114 | \$ 234,560 | \$ 280,000 | \$ 234,570 |
| Reimbursements | 177,581 | 177,672 | 185,308 | 145,535 |
| Total Revenue | \$ 408,694 | \$ 412,233 | \$ 465,308 | \$ 380,105 |

Significant Budget Issues

There are no significant budget issues to report.

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Personnel | \$ 496,476 | \$ 455,605 | \$ 463,965 | \$ 440,129 |
| Commodities | 110,353 | 97,006 | 111,510 | 106,950 |
| Contractual Services | 183,906 | 175,778 | 194,732 | 165,579 |
| Capital Outlay | 25,891 | - | - | 4,718 |
| Total Uses | \$ 816,627 | \$ 728,389 | \$ 770,207 | \$ 717,376 |
| Personnel FTE | 8 | 7 | 7 | 7 |

Fleet Services Division

Kent County Fleet Services manages 210 vehicles for nearly a dozen County departments, many of them related to law enforcement or court functions. To do this, the unit provides scheduled safety checks and services, maintains a parts inventory, dispenses fuel, and maintains an inventory of vehicles from acquisition to disposal.

Fleet Services maintains vehicles for all County departments except the Drain Commission, Aeronautics and Public Works Department.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------|---------|---------|---------------|
| Outcome: | | | | |
| Percent of vehicles in fleet on preventive maintenance schedule | 100.00% | 100.00% | 100.00% | 100.00% |
| Percent of vehicles out of service due to inadequate parts inventory | 0.08% | 0.00% | 0.00% | 0.00% |
| Efficiency: | | | | |
| Vehicles maintained per employee (3 FTE) | 69.33 | 69.33 | 70.00 | 70.00 |

Division Revenues by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Charges for Services | \$ 26,588 | \$ 13,898 | \$ 30,500 | \$ 20,410 |
| Reimbursements | 130,280 | 137,644 | 139,368 | 126,520 |
| Total Revenue | \$ 156,868 | \$ 151,542 | \$ 169,868 | \$ 146,930 |

Significant Budget Issues

The department currently maintains 210 vehicles, representing an increase of 50 vehicles since 2001. The increase in the number of vehicles is reflected in an increase in maintenance costs, such as oil, filter changes, wear items such as tires and brakes, and suspension and steering parts. The combination of additional vehicles, new technologies and higher fuel cost add to total operational cost.

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Personnel | \$ 284,174 | \$ 193,843 | \$ 199,096 | \$ 198,063 |
| Commodities | 101,169 | 93,735 | 103,800 | 103,800 |
| Contractual Services | 69,366 | 71,026 | 90,200 | 95,926 |
| Capital Outlay | 36,021 | 27,407 | 35,500 | 24,000 |
| Total Uses | \$ 490,729 | \$ 386,011 | \$ 428,596 | \$ 421,789 |
| Personnel FTE | 4 | 3 | 3 | 3 |



Kent County Fleet Service's Garage

Human Resources

County Administration Building
 300 Monroe Avenue NW, Grand Rapids, MI 49503-2206
 Phone: (616) 632-7440, (800) 386-4484 Fax: (616) 632-7445
 Email: jobs@kentcountymi.gov

Mission

To develop, establish and maintain policies and programs that ensure the successful recruitment, employment and retention of a diverse, well qualified workforce to serve the citizens of Kent County.

Overview

The Human Resources Department is responsible for the recruitment, selection, classification, compensation, benefits, professional development, employee relations, legal compliance and record keeping for approximately 1,800 employees.

The department directs and monitors the County's efforts to build and sustain a diverse work force.

Human Resources is the primary resource for supervisors and employees concerning employment and management issues related to the administration of policies, procedures and collective bargaining agreements. The staff is the principal contact point with union representatives and is accountable for labor contract negotiations with 13 bargaining units.

The County invests in the development of the work force through several training and development programs administered by the Human Resources Department.

Strategic Goals

Strategic issues for the Department include:

- Grow/enhance a participative employee culture; and
- Be an employer of choice.

Goals

- To retain and develop our employees by providing competitive and equitable compensation and by offering skill enhancement and leadership development training opportunities
- To administer cost effective and wellness oriented health care programs which provide for the well being of employees
- To provide excellent customer service

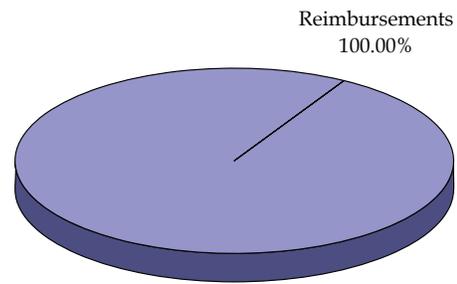
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|---------|--------|---------|---------------|
| Outcome: | | | | |
| Percent of training program evaluations with a rating of 4 or higher | 95.00% | 96.00% | 94.00% | 95.00% |
| Percent of Voluntary Turnover (less retirements) | 2.58% | 1.82% | 2.97% | <5.00% |
| Percent of annual medical benefit cost increase (benchmark 11%) | -11.61% | -0.72% | -15.19% | 11.00% |
| Percent of employees completing annual physical | 75.00% | 75.00% | 78.33% | 80.00% |
| Rating quality of service provided (from Administrator's Office Survey) | 3.15 | 3.20 | TBD | 3.20 |
| Output: | | | | |
| Number of participants attending HR sponsored training sessions (LEAP, LEAD, PREP). | 753 | 1,081 | 613 | NA |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Reimbursements | \$ 947,712 | \$ 965,540 | \$ 936,332 | \$ 881,510 |
| Total Revenue | \$ 947,712 | \$ 965,540 | \$ 936,332 | \$ 881,510 |

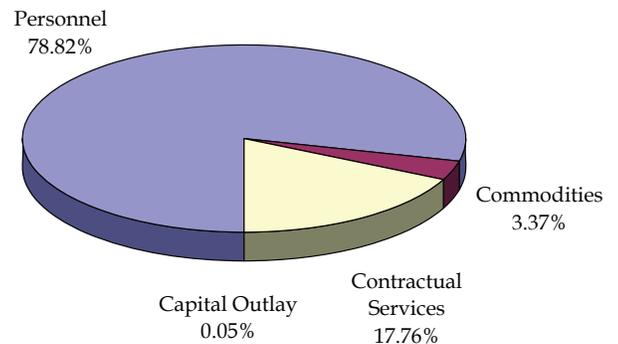
**2012 Adopted Revenues
\$881,510**



Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$1,565,148 | \$1,364,774 | \$1,402,090 | \$1,381,776 |
| Commodities | 65,128 | 54,514 | 54,000 | 59,000 |
| Contractual | 275,071 | 227,339 | 312,104 | 311,335 |
| Operating Capital | 13,563 | 5,744 | - | 900 |
| Total Uses | \$1,918,909 | \$1,652,372 | \$1,768,194 | \$1,753,011 |
| Personnel FTE | 20 | 16.1 | 15.8 | 15.6 |

**2012 Adopted Uses
\$1,753,011**



Significant Budget Issues

For the 2012 Budget, a part-time Senior Human Resources Specialist was eliminated and a part-time Human Resources Specialist II was converted to full-time for a net decrease of 0.2 FTEs.

Significant Accomplishments

- Negotiated contract extension concession packages for eight of thirteen bargaining units that included a reduction in scheduled wage increases, early retirement incentive and County cost reductions to the pension plan.
- Developed and effectively administered an early retirement incentive program, without legacy costs, for bargaining units agreeing to concessions that reduced payroll costs as well as the number of 2011 workforce reductions.
- Conducted a health insurance dependent audit that resulted in removing 130 ineligible dependents from County plans at an estimated annual savings in excess of \$325,000.
- Completed prescription drug insurance vendor RFP resulting in a three year contract with estimated savings of \$500,000 annually.
- Supported and counseled County leadership through a second consecutive year of budget related workforce reductions.
- Continued cultural and diversity related education and programming activities focusing on related topics such as ethnic cultures, women in leadership, veterans, etc. Celebrated the 10 year anniversary of our Cultural Insight Council.

Information Technology

320 Ottawa Avenue NW, Grand Rapids, MI 49503-2301

Phone: (616) 632-6500 Fax: (616) 632-6505

Mission

The mission of the Kent County Information Technology (IT) Department is to provide quality, responsive and cost-effective information technology solutions and services that enable County departments, agencies, and local government units to be successful in achieving their respective missions, striving always to exceed expectations.

Overview

The Kent County Information Technology (IT) Department links County services to the general public by providing a secure and robust computing environment to more than 30 departments and several local governments. The Information Technology Department is organized into work teams that facilitate delivery of application and infrastructure services.

- Applications Teams
 - *Financial Systems Team:* Maintains software for the County's accounting, payroll, and human resource systems
 - *Justice Systems Team:* Supports applications for the County Prosecutor's Office, multiple courts, the Sheriff's Department, and the Correctional Facility
 - *IT Service Desk:* Responds to user problem reports and service requests, and provides support for staff computers, printers, and desktop applications;
 - *Geographic Information Systems Team:* Supports the design, implementation, and maintenance of GIS.
 - *Specialty Applications:* Provides customer applications design, support, and implementation capabilities to County staff
- Infrastructure Teams
 - *Network Support Team:* Supports the networks which connect systems within the County, the County's connection to the Internet, and secure connections to local governments and the State of Michigan, as well as the County's PBX telephone system
 - *Systems Team:* Operates, administers, and maintains the servers, storage, archival, and backup systems that support the County's computing environment

Strategic Goals

Strategic issues for the Department include:

- Provide a robust and flexible computing infrastructure that is capable of handling current and projected needs of internal customers and client agencies;
- Provide a full range of application services, including consulting, project management, and business process analysis/re-engineering;
- Provide leadership to the county in applying technology to the challenges of local government in the 21st Century; and
- Provide responsive and cost-effective support of installed applications, services, and hardware.

Major projects planned include continued upgrades to the County's network infrastructure, support for the implementation of the Kent County Central Dispatch systems, improvements to our internal directories, security enhancements to maintain compliance with all applicable regulations and industry best practices, further implementation of our virtualized server infrastructure, and efforts aimed at reducing cost and increasing efficient operations.

Goals

- Provide an increasing level of service to those that use the County's computing resources when they experience problems or require additional services
- Provide an attractive, easy-to-use online portal that assists citizens and other interested parties
- Provide high quality, cost effective application development, integration, and maintenance services to County departments and agencies
- Provide a stable, reliable, secure, and cost-effective computing infrastructure environment that supports County departments, agencies, and local units of government

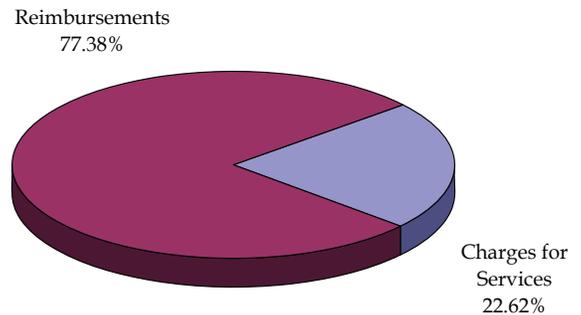
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|--------|--------|--------|---------------|
| Outcome: | | | | |
| Service Level Achievement (all categories) Service Desk | 90.56% | 91.27% | 90.24% | >90.00% |
| Quality of service provided from (from IT survey) Service Desk | 4.26 | 4.35 | 4.29 | >4.20 |
| Adoption rate for Deeds | 63.60% | 67.20% | 67.80% | 68.00% |
| Responsiveness to requests (from annual IT survey) Application Services | 4.11 | 4.10 | 4.15 | >4.05 |
| Quality of service provided (from annual IT survey) Application Services | 4.14 | 4.12 | 4.00 | >4.05 |
| Average server availability | 99.99% | 99.99% | 99.99% | 99.99% |
| Network responsiveness (out of 5.0) | 3.76 | 3.95 | 3.76 | 3.85 |
| Availability of system resources (out of 5.0) | 3.64 | 4.05 | 3.89 | 3.85 |
| Efficiency: | | | | |
| Network components supported per staff (Infrastructure Services) | 64.00 | 65.00 | 66.00 | 66.00 |
| Servers supported per staff (Infrastructure Services) | 29.71 | 30.50 | 33.63 | 33.00 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Charges for Services | \$ 275,537 | \$ 313,804 | \$ 246,000 | \$ 310,000 |
| Reimbursements | 1,105,425 | 1,092,965 | 1,225,161 | 1,060,574 |
| Total Revenue | \$1,380,962 | \$1,406,769 | \$1,471,161 | \$1,370,574 |

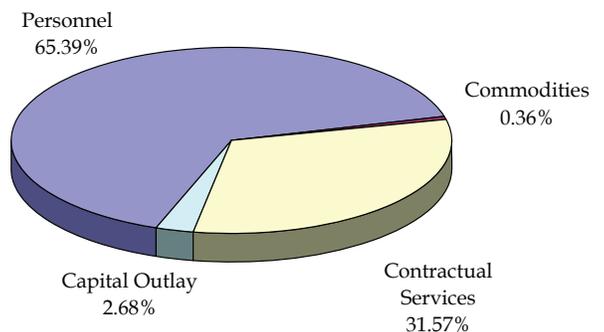
**2012 Adopted Revenues
\$1,370,574**



Department Expenditures by Category

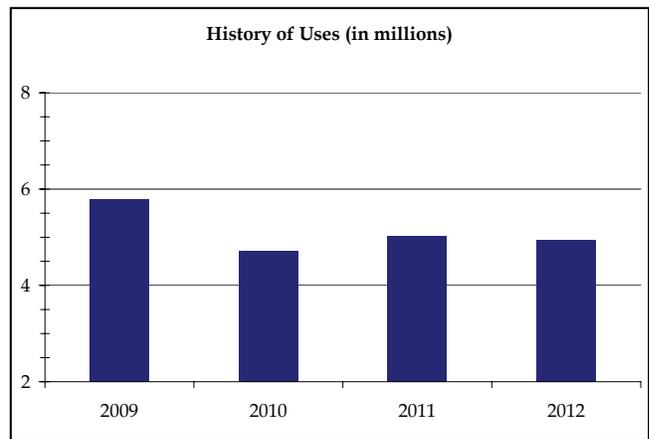
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$3,691,454 | \$3,257,986 | \$3,349,297 | \$3,225,597 |
| Commodities | 6,794 | 7,328 | 24,500 | 17,800 |
| Contractual | 1,576,406 | 1,311,988 | 1,557,602 | 1,557,046 |
| Operating Capital | 519,859 | 139,686 | 97,700 | 132,343 |
| Total Uses | \$5,794,512 | \$4,716,989 | \$5,029,099 | \$4,932,786 |
| Personnel FTE | 42 | 37 | 36 | 36 |

**2012 Adopted Uses
\$4,932,786**



Program Expenditures

| | 2009 | 2010 | 2011 | 2012 |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| | Actual | Actual | Adopted | Adopted |
| Administration | \$ 681,973 | \$ 608,432 | \$ 666,474 | \$ 643,228 |
| JNET | 483,037 | 238,843 | 223,097 | 366,749 |
| GIS | 670,622 | 373,569 | 391,565 | 311,483 |
| Help Desk | 895,352 | 789,019 | 876,735 | 850,481 |
| FHRS | 452,048 | 412,541 | 450,496 | 346,909 |
| Specialty Applications | 350,103 | 269,805 | 249,746 | 276,099 |
| Networks | 838,099 | 621,350 | 687,907 | 705,772 |
| Servers | 1,423,278 | 1,341,587 | 1,419,687 | 1,368,895 |
| Courthouse Technology | - | 61,844 | 63,392 | 63,170 |
| Total | \$5,794,512 | \$4,716,989 | \$5,029,099 | \$4,932,786 |



Significant Budget Issues

The 2012 budget holds the line on staffing, but there are some reductions in infrastructure maintenance, consulting, and education in order to meet budget targets. While none of the reductions are critical, this continues a trend that has been in place over the past several years. If the trend continues, we will run risks of not being able to adequately support County operations and begin to fall significantly behind in deployment of current technology. Failing to keep current in technology will further exacerbate support issues and may render the County unattractive as an employer to young people who view such technology use as a given.

Significant Accomplishments

- Information Technology migration away from Novell continued in 2011. There was the initial move to file sharing on Microsoft servers, implementation of Red Hat Linux as a replacement for SuSE, and implementation of Microsoft’s SCCM product as a replacement for ZenWorks. Our plan is to have everything complete by October 2012.
- At the request of Cannon Township, IT developed a version of our in-house GIS data viewer that allows local governments to tap into the County’s GIS directly. This viewer offers more capabilities than the one used by the public on accesskent. The feedback from Cannon Township users was enthusiastic, and IT plans to make the application available to all local units in Kent County.
- As part of IT work on implementing Central Dispatch, staff worked closely with the County’s Property Description & Mapping Department and the local GIS consortium, REGIS, to consolidate two street information data sets into one. This is a significant step forward, as all agencies and local units will have the same view of street information for public safety use.
- One of the focal points for IT in 2011 was improving our contingency planning. IT made a number of changes to the ways in which we will be responding to unplanned events. There was a real event in 2011 that highlighted the importance of this activity, when there was a break in the fiber between the downtown facility and the Fuller campus caused by construction work.
- IT led a cross-department team that was tasked with selecting a new email system. There was considerable research done, which included site visits to the two major competitors. The final steps in the selection process included issuing an RFP and then going through the responses. Just prior to year-end, the team announced that we will be moving to a Microsoft hosted e-mail system. That migration will be a 2012 project that is part of our migration away from Novell as an infrastructure vendor.

Policy / Administration

County Administration Building
 300 Monroe Avenue NW, Grand Rapids, MI 49503-2206
 Phone: (616) 632-7570 and 7580 Fax: (616) 632-7565 and 7585

Mission

To provide policy recommendations to the Board of Commissioners and to efficiently manage and support the effective delivery of County services.

Overview

The County Administrator/Controller is appointed by the Board of Commissioners to implement Board policies, to oversee the daily activities of the County, to serve as the Chief Administrative and Financial Officer, and to supervise functions that report to the Board of Commissioners. The 12-member staff of the office provides professional support, project management, and policy recommendations for the Administrator/Controller and the Board. This office includes the County's Corporate Counsel.

The Administrator's Office is responsible for assisting the Board in meeting identified goals; developing annual budget recommendations; preparing agenda items for the Board of Commissioners; developing procedures to accompany Board policies; providing legal counsel in all legal County matters; conducting program, departmental, and management analyses; coordinating the pursuit of the Board's legislative agenda; and providing general administrative support. The Administrator's Office is also responsible for continuing several ongoing initiatives and projects adopted by the Board of Commissioners. The Executive Assistant to the Board of Commissioners provides administrative support in a liaison role to and for the Board of Commissioners, the County Administration, and County departments.

Strategic Goals

Strategic issues for the Department include:

- Develop internal and external communications strategy;
- Maintain/enhance partnerships and relationships that support the mission of Kent County government;
- Reduce cost of Kent County government operations; and
- Politically advocate to protect current sources of revenue from legislative change.

Operational Goals

- Ensure effective communication between the Board of Commissioners, departments/agencies, the judiciary, and the public
- Maintain the long-term financial health of the County
- Create and foster a culture that promotes visionary, creative and strategic thinking to achieve the Mission of the County
- Encourage the establishment of strategic, public/private, intergovernmental and interdepartmental partnership



Kent County Administration Building

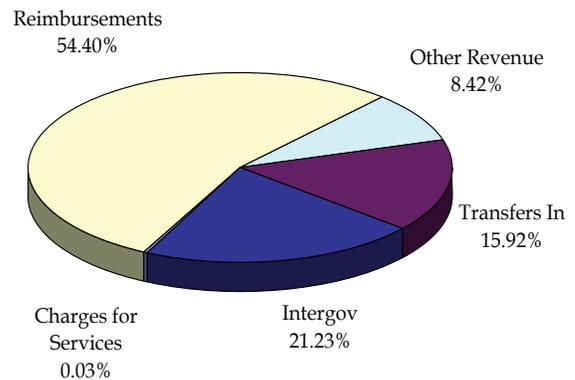
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|-------------|-------------|-------------|---------------|
| Outcome: | | | | |
| Less than three postponed Committee or Board action requests due to insufficient/inaccurate information. | 2 | 0 | 1 | <3 |
| Percent of work team members reporting significantly improved knowledge of County operations | 67.00% | 63.00% | 70.00% | 65.00% |
| Dollars saved or leveraged as a result of collaboration with other agencies | \$2,019,184 | \$2,545,516 | \$1,158,240 | \$500,000 |
| Output: | | | | |
| Number of programs or collaborative partnerships developed | 7 | 6 | 5 | 5 |
| Efficiency: | | | | |
| General fund cost per resident (adjusted for CPI) | \$237.00 | \$224.00 | \$217.00 | \$217.00 |
| Effectiveness: | | | | |
| Maintain a 4.0 (out of 5) or better on the Board of Commissioners survey | 4.68 | 4.75 | 4.84 | 4.50 |
| County credit ratings maintained per S & P / Moody's | AAA/Aaa | AAA/Aaa | AAA/Aaa | AAA/Aaa |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|-------------------|---------------------|-------------------|-------------------|
| General Fund | | | | |
| Charges for Services | \$ 42 | \$ 268 | \$ 750 | \$ 300 |
| Reimbursements | 540,005 | 520,400 | 500,277 | 512,514 |
| Total General Fund | \$ 540,047 | \$ 520,668 | \$ 501,027 | \$ 512,814 |
| Other Funds | | | | |
| Special Projects | 96,915 | 2,742,843 | 380,000 | 429,286 |
| Total Revenue | \$ 636,962 | \$ 3,263,511 | \$ 881,027 | \$ 942,100 |

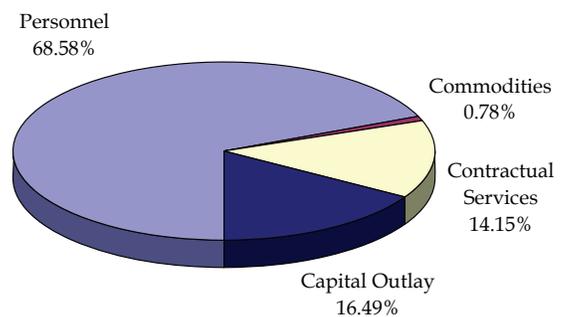
2012 Adopted Revenues \$942,100



Department Expenditures by Category

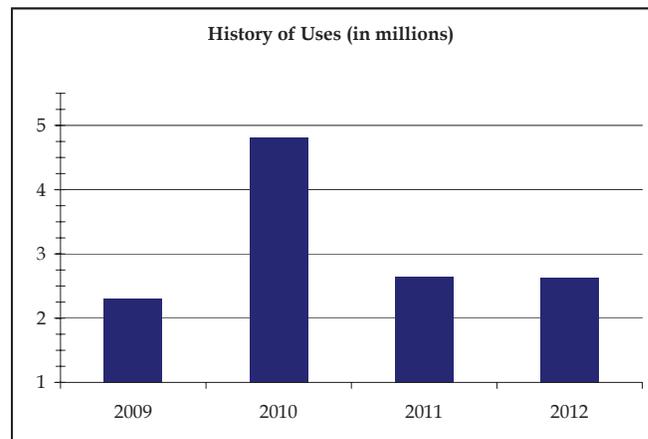
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$1,734,237 | \$1,753,111 | \$1,813,610 | \$1,800,821 |
| Commodities | 22,651 | 17,741 | 20,575 | 20,550 |
| Contractual | 466,158 | 308,418 | 319,469 | 371,454 |
| Operating Capital | 18,939 | 16,803 | 1,500 | 3,600 |
| Total Uses | \$2,241,986 | \$2,096,073 | \$2,155,154 | \$2,196,425 |
| Other Funds | | | | |
| Special Projects | 64,025 | 2,714,154 | 485,500 | 429,286 |
| Total Department | \$2,306,011 | \$4,810,226 | \$2,640,654 | \$2,625,711 |
| Personnel FTE | 13.5 | 12.4 | 12.4 | 12.4 |
| Elected Officials | 19 | 19 | 19 | 19 |

2012 Adopted Uses \$2,625,711



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|--------------------------|--------------------|--------------------|--------------------|--------------------|
| Administrator's Office | \$1,192,901 | \$1,154,010 | \$1,203,310 | \$1,224,223 |
| Bd of Commissioners | 936,489 | 854,730 | 854,044 | 846,052 |
| Corporate Counsel | 31,470 | 14,649 | 45,000 | 45,000 |
| Management Studies | 69,679 | 68,103 | 50,000 | 30,000 |
| Agricultural Preservatio | 1,210 | 1,338,519 | 485,500 | 429,286 |
| Energy Use Reduction | 74,261 | 1,373,916 | 2,800 | 51,150 |
| Prev Neglect Focus Grp | - | 6,300 | - | - |
| Total | \$2,306,011 | \$4,810,226 | \$2,640,654 | \$2,625,711 |



Significant Budget Issues

No significant budget issues.

Significant Accomplishments

- The Kent County Administrator/Controller proposed, and the Board of Commissioner’s passed, a structurally balanced budget (whereby estimated revenues equal proposed expenses) for the second consecutive year. Unfortunately, this required considerable cuts to various departments and initiatives; including a reduction of 21 FTE, of which 16.4 were vacant, eliminated as part of the budget process.
- The Administrator’s Office staffed several Board of Commissioner subcommittees, which resulted in several reports to the entire Board of Commissioners. Actions that resulted from this include 1) changes to the name of the Board of Aeronautics to the Gerald R. Ford International Airport Board and expansion of the Board to include an additional private sector member from outside of Kent County to reflect and represent the regional significance of the airport; 2) the creation of a public/private Community Collaboration Work Group; 3) the establishment of a 30-member Citizen’s Committee for Parks and Recreation Services to explore the potential for coordination and collaboration; and 4) an application and revised process for making requests to the County for consideration of countywide millages. Staff also participated in a governance and strategic planning exercise with members of the County Board and Zoo Society, which led to a recommendation to establish a private-non-profit management model for the Zoo. Work on that transition process has started, and is expected to conclude in late 2012.
- The County’s long-term triple-A credit rating was confirmed by Moody’s Investor Services and Standard & Poor’s. This is the thirteenth consecutive year that Kent County has held the highest credit rating from both agencies. Kent County also received the highest short-term rating from the various rating agencies.
- Kent County returned to the State Pool for County Revenue Sharing. Over the past five years, the County has advocated with State legislators that county revenue sharing throughout Michigan should not be reduced and funded at 100% of pre-revenue reserve sharing levels. FY2011 saw full funding of Revenue Sharing from the State. However, FY2012 State Budget saw only 75% funding for Revenue Sharing.
- The Office continued to leverage collaborations with Cooley Law School and Davenport College that provided experience to students, and valuable assistance to the County in moving several legal research and archiving projects forward.
- The Interdepartmental Collaboration Work Group focused its efforts on four specific projects: an inventory of surplus goods and specialized services available for use by other departments (2011 savings reported to be \$15,000); creation of a common Westlaw contract resulting in savings of almost \$60,000 annually, implementation of electronic timesheets and the introduction of LEAN principles to County operations.

Prosecutor's Office

82 Ionia Avenue NW, Suite 450, Grand Rapids, MI 49503-2266
Phone: (616) 632-6710 Fax: (616) 632-6714

Mission

To protect the rights, safety, and security of Kent County residents through diligent efforts to prosecute criminal offenses in Kent County.

Overview

The Prosecuting Attorney appears for the State or County in all criminal prosecutions in Circuit Court and District Court, as well as appearances in delinquency, neglect, mental incompetency, and adult guardianship proceedings in both Probate Court and the Family Division of the Circuit Court. The Prosecuting Attorney shares jurisdiction with the Michigan Attorney General for any crime that is committed in Kent County, but is independent of that State office. The Prosecuting Attorney is an elected official with a four-year term, chosen at the time of the Presidential election, on the partisan ballot.

The office is divided into the following divisions: Criminal, Appellate, Family Law (see Judicial functional area page D-106) and Juvenile. Each division has specific attorneys assigned to it and is structured to serve that division's unique needs. Additionally, the Victim/Witness Unit of the office performs services for victims of crime as mandated under the Crime Victims Rights Act.

The Prosecuting Attorney's office is responsible for other legal functions, including:

- Keeping victims notified of case status, their right to participate, and to protect/preserve their rights;
- Providing information on juvenile offenders to the Kent Intermediate School District; and
- Representing the County in forfeiture actions.

Operational Goals

- To prosecute violations of State law in District and Circuit Courts within Kent County
- To protect and preserve the rights of victims by complying with the mandates of the Michigan Crime Victim's Right's Act
- To represent the People of the State of Michigan at hearings involving delinquency, neglect/dependency, and matters of mental competency

Strategic Goals

Strategic issues for the Department include:

- Continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency; and
- Maximize effectiveness of existing staff and reduce staff growth.

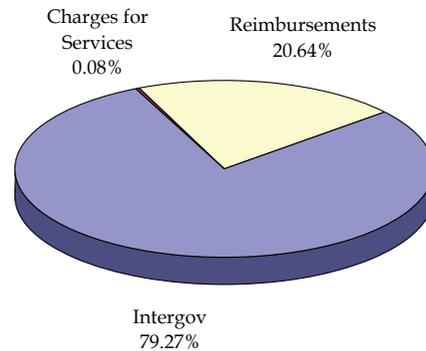
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|-----------|-----------|-----------|---------------|
| Outcomes: | | | | |
| Number of guilty verdicts in District Court trials | 95 | 89 | 106 | 97 |
| Number of guilty verdicts in Circuit Court trials | 95 | 76 | 60 | 77 |
| Number of guilty pleas in Circuit Court | 3,445 | 3,151 | 3,055 | 3,217 |
| Amount of Restitution Awarded to Victims through the Crime Victim's Compensation Board | \$439,815 | \$334,009 | \$279,372 | \$351,065 |
| Outputs: | | | | |
| Number of District Court Trials | 122 | 121 | 147 | 130 |
| Number of Circuit Court Trials | 118 | 86 | 75 | 93 |
| Number of felony warrants authorized | 4,596 | 4,072 | 4,206 | 4,291 |
| Number of misdemeanor warrants authorized | 4,598 | 4,097 | 4,813 | 4,503 |
| Number of Cases Referred to Victim/Witness | 9,042 | 8,316 | 8,731 | 8,696 |
| Number of Termination Petitions Authorized | 126 | 101 | 136 | 121 |
| Number of Police Referrals Processed | 2,614 | 2,548 | 2,492 | 2,551 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Intergovernmental | \$ 40,409 | \$ 48,948 | \$ 66,022 | \$ 192,000 |
| Charges for Services | 239 | 248 | 200 | 200 |
| Reimbursements | 209,964 | 181,350 | 200,000 | 50,000 |
| Total Revenue | \$ 250,612 | \$ 230,546 | \$ 266,222 | \$ 242,200 |

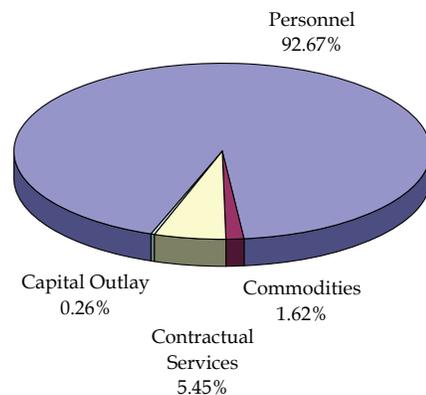
2012 Adopted Revenues \$242,200



Department Expenditures by Category

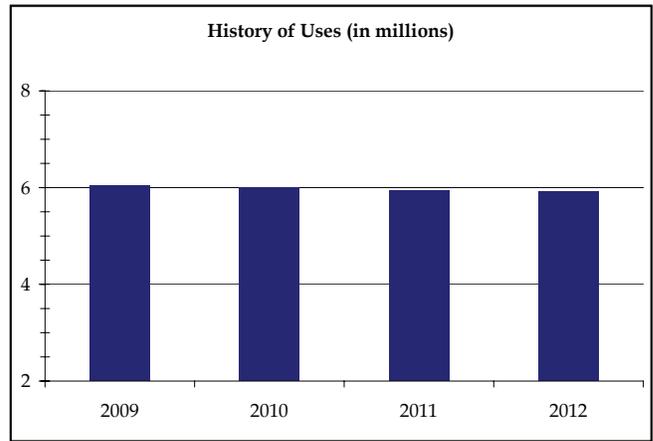
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$5,688,603 | \$5,704,405 | \$5,531,506 | \$5,486,944 |
| Commodities | 92,066 | 83,131 | 95,000 | 96,000 |
| Contractual Services | 241,404 | 217,040 | 314,559 | 322,903 |
| Capital Outlay | 22,499 | - | - | 15,393 |
| Total Uses | \$6,044,572 | \$6,004,576 | \$5,941,065 | \$5,921,240 |
| Personnel FTE | 64 | 61 | 56.5 | 56.5 |

2012 Adopted Uses \$5,921,240



Program Expenditures

| | 2009 | 2010 | 2011 | 2012 |
|-------------------|--------------------|--------------------|--------------------|--------------------|
| | Actual | Actual | Adopted | Adopted |
| Criminal/Juvenile | \$6,044,572 | \$6,004,576 | \$5,941,065 | \$5,921,240 |
| Total | \$6,044,572 | \$6,004,576 | \$5,941,065 | \$5,921,240 |



Significant Budget Issues

No significant budget issues.

Significant Accomplishments

- Since its inception to 12/31/11, the Bad Check Program has provided restitution totaling \$835,496 to victims in Kent County.



Kent County Prosecutor's Office at 82 Ionia

Treasurer's Office

County Administration Building
300 Monroe Avenue NW, Grand Rapids MI 49503
Phone: (616) 632-7500 Fax: (616) 632-7505

Mission

To collect lodging and delinquent real property taxes and manage County funds within relevant laws, regulations, policies and community standards.

Overview

Elected to a four-year term, the County Treasurer serves as the custodian of all County funds, and as such is responsible for receipting, recording and investing all money deposited with the County. The County's General tax revenue (e.g. property tax and trailer tax) and general intergovernmental revenue (e.g. the County's share of the state sales tax - also called State Revenue Sharing) are reported as part of the Treasurer's Office's revenues.

With respect to tax dollars, the Treasurer collects delinquent real property taxes and, following a court order, conducts the sale of properties which are more than 24 months delinquent. The County Treasurer also serves as the agent of the delinquent tax revolving fund, through which the County is able to forward to local units the amount of delinquent taxes due and owing on real property while it pursues payment of the taxes –along with accrued interest and a four percent administrative fee –from the debtor. The Delinquent Tax Revolving Fund program minimizes the impact of delinquent tax payments on local units of government, allowing for consistency with respect to revenues.

The Board of Commissioners has also appointed the County Treasurer as administrator of the Lodging Excise Tax. Accounted for in a special revenue fund and therefore not reported here, the "Hotel/Motel Tax" (as it is commonly called) is an assessment on hotel and motel room charges within the County, and the revenues are used 1) to promote Kent County as a tourism and business destination, and 2) to maintain, acquire or construct certain public convention and entertainment facilities.

In addition, the office manages a Local Government Investment Pool, providing local governments a safe, liquid investment opportunity; and distributes state aid to schools, townships, cities and villages.

Operational Goals

- To collect delinquent real property taxes in accordance with the methods prescribed by state statute
- To collect all lodging taxes due to the County
- To invest funds entrusted to the Office of the County Treasurer in accordance with investment policies

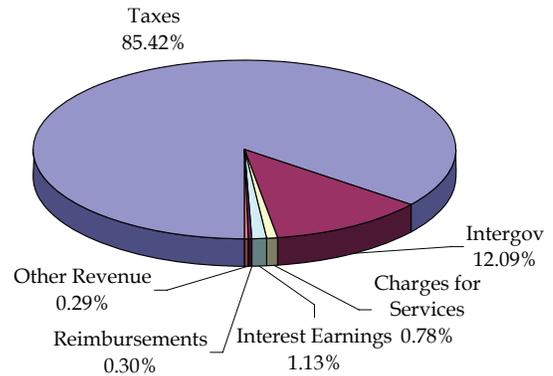
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|-------------|-----------|-----------|---------------|
| Outcome: | | | | |
| Percentage of eligible taxes collected | 100.00% | 100.00% | 100.00% | 100.00% |
| Percentage of all eligible establishments (those required by ordinance to collect and remit lodging tax) audited annually | 28.40% | 27.85% | 28.21% | 25.00% |
| Output: | | | | |
| Number of tax receipts processed (real property) | 23,701 | 25,863 | 25,856 | 25,000 |
| General fund investment income | \$1,275,947 | \$761,632 | \$459,384 | \$400,000 |
| Efficiency: | | | | |
| Number of hotel audits per auditor (2 FTE's) | 11.5 | 11 | 11 | 10 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| General Fund | | | | |
| Taxes | \$ 86,601,152 | \$ 84,499,582 | \$ 85,934,600 | \$ 83,551,225 |
| Intergovernmental | 3,462,132 | 3,305,836 | 9,486,228 | 12,487,160 |
| Charges for Services | 15,653 | 19,318 | 17,800 | 19,000 |
| Investment Earnings | 1,966,576 | 62,905 | 887,500 | 842,100 |
| Reimbursements | 189,619 | 180,838 | 189,850 | 305,888 |
| Other Revenue | 491,223 | 259,322 | 432,100 | 295,000 |
| Total General Fund | \$ 92,726,355 | \$ 88,327,801 | \$ 96,948,078 | \$ 97,500,373 |
| Other Funds | | | | |
| Delinquent Tax Fund | 7,957,577 | 6,906,379 | 5,657,000 | 5,825,700 |
| Rev Sharing Res Fund | 375,002 | (59,438) | - | - |
| Total Revenue | \$ 101,058,935 | \$ 95,174,743 | \$ 102,605,078 | \$ 103,326,073 |

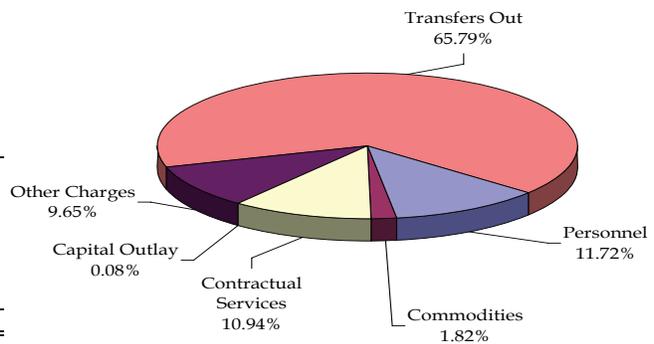
**2012 Adopted Revenues
\$103,326,073**



Department Expenditures by Category

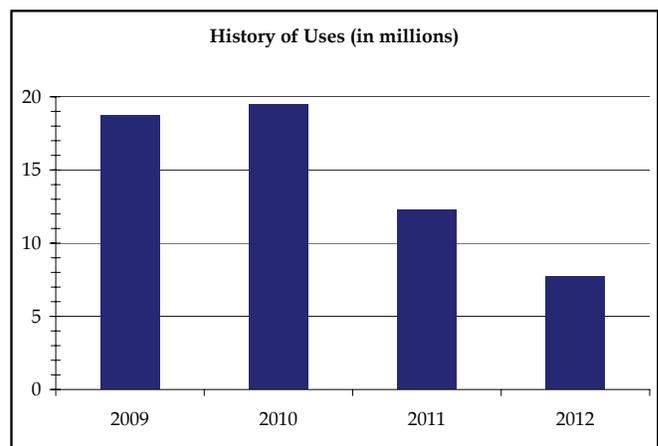
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|----------------------|----------------------|----------------------|---------------------|
| General Fund | | | | |
| Personnel | \$ 1,037,665 | \$ 957,322 | \$ 921,474 | \$ 907,199 |
| Commodities | 18,338 | 19,124 | 19,500 | 19,500 |
| Contractual | 74,243 | 236,812 | 78,988 | 138,041 |
| Operating Capital | 9,680 | 481 | 1,700 | 6,200 |
| Other Expense | - | - | 1,000 | 1,000 |
| Total Uses | \$ 1,139,926 | \$ 1,213,738 | \$ 1,022,662 | \$ 1,071,940 |
| Other Funds | | | | |
| Delinquent Tax Fund | 5,593,417 | 6,314,038 | 6,749,250 | 6,667,700 |
| Rev Sharing Res Fund | 12,006,309 | 11,970,290 | 4,500,000 | - |
| Total Department | \$ 18,739,652 | \$ 19,498,067 | \$ 12,271,912 | \$ 7,739,640 |
| Personnel FTE | 15 | 13 | 12 | 12 |

**2012 Adopted Uses
\$7,739,640**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|----------------------|----------------------|----------------------|---------------------|
| Treasurer | \$ 1,139,926 | \$ 1,213,738 | \$ 1,022,662 | \$ 1,071,940 |
| Delinquent Tax Funds | 5,593,417 | 6,314,038 | 6,749,250 | 6,667,700 |
| Rev Sharing Res Fund | 12,006,309 | 11,970,290 | 4,500,000 | - |
| Total | \$ 18,739,652 | \$ 19,498,067 | \$ 12,271,912 | \$ 7,739,640 |

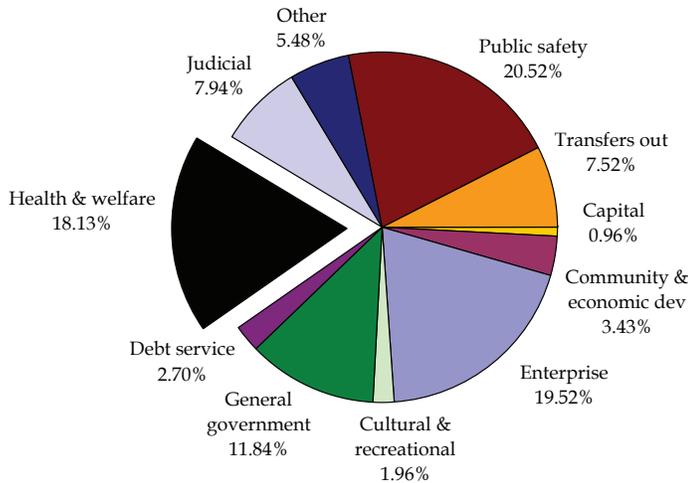


Significant Budget Issues

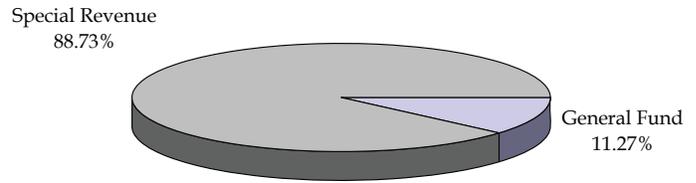
The economic downturn has led the Federal Open Market Committee of the Federal Reserve Board to keep interest rates at record low levels, with the expectation that they will remain that way for at least two years. This translates to a continuing reduction of investment income for Kent County. The Revenue Sharing Reserve Fund was completely liquidated in 2011. The Revenue Sharing Reserve Fund Statement can be found on page C-25.

Health & Welfare Functional Area at a Glance

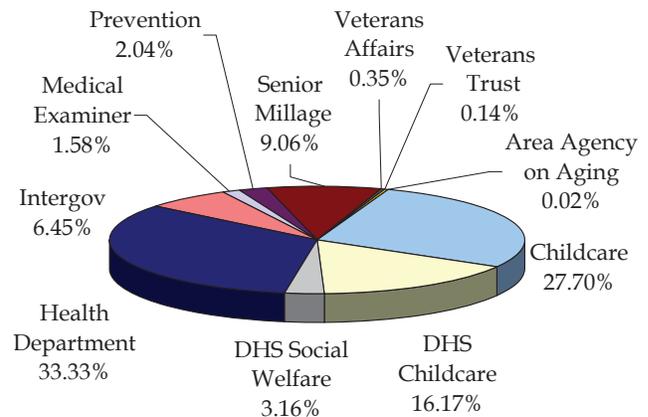
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$73,860,530



2012 Functional Area Uses by Department



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Fund Type

| Fund Type | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------|
| General Fund | | | | | | |
| Area Agency on Aging | \$ 14,546 | \$ 14,546 | \$ 14,546 | \$ 14,546 | \$ 14,546 | 0.00% |
| DHS Social Welfare | 729,456 | 669,240 | 690,763 | 649,490 | 614,813 | -11.00% |
| Intergovernmental | 4,622,824 | 4,508,986 | 4,441,240 | 4,762,429 | 4,762,429 | 7.23% |
| Medical Examiner | 1,215,117 | 987,399 | 1,238,554 | 1,296,967 | 1,165,130 | -5.93% |
| Prevention | 1,755,357 | 1,760,550 | 1,690,107 | 1,661,490 | 1,507,266 | -10.82% |
| Veterans Affairs | 192,163 | 176,362 | 169,509 | 262,133 | 262,133 | 54.64% |
| Total General Fund | 8,529,462 | 8,117,083 | 8,244,719 | 8,647,055 | 8,326,317 | 0.99% |
| Other Funds | | | | | | |
| Child Care | 21,044,504 | 19,670,164 | 21,193,520 | 20,757,532 | 20,457,140 | -3.47% |
| DHS Child Care | 12,924,816 | 10,572,425 | 13,851,783 | 13,745,040 | 11,942,319 | -13.78% |
| DHS Social Welfare | 1,431,968 | 1,435,528 | 1,620,000 | 1,720,000 | 1,720,000 | 6.17% |
| Health Department | 24,459,743 | 25,640,924 | 25,415,178 | 25,318,719 | 24,618,636 | -3.13% |
| Senior Millage | 7,404,588 | 6,773,948 | 6,661,368 | 6,691,118 | 6,691,118 | 0.45% |
| Veterans Trust | 72,421 | 62,690 | 75,000 | 105,000 | 105,000 | 40.0% |
| Total Other Funds | 67,338,040 | 64,155,680 | 68,816,849 | 68,337,409 | 65,534,213 | -4.77% |
| Total | \$ 75,867,502 | \$ 72,272,763 | \$ 77,061,568 | \$ 76,984,464 | \$ 73,860,530 | -4.15% |

Functional Area History of Uses by Department

| Department | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|-------------------------|------------------------|------------------------|-------------------------|---------------------------|-------------------------|-----------------------------|
| Health Department | \$ 24,459,743 | \$ 25,640,924 | \$ 25,415,178 | \$ 25,318,719 | \$ 24,618,636 | -3.13% |
| Child Care | 21,044,504 | 19,670,164 | 21,193,520 | 20,757,532 | 20,457,140 | -3.47% |
| Medical Examiner | 1,215,117 | 987,399 | 1,238,554 | 1,296,967 | 1,165,130 | -5.93% |
| Veterans Affairs | 192,163 | 176,362 | 169,509 | 262,133 | 262,133 | 54.64% |
| Non-Departmental | | | | | | |
| Area Agency on Aging | 14,546 | 14,546 | 14,546 | 14,546 | 14,546 | 0.00% |
| DHS Child Care | 12,924,816 | 10,572,425 | 13,851,783 | 13,745,040 | 11,942,319 | -13.78% |
| DHS Social Welfare | 2,161,424 | 2,104,769 | 2,310,763 | 2,369,490 | 2,334,813 | 1.04% |
| Intergovernmental | 4,622,824 | 4,508,986 | 4,441,240 | 4,762,429 | 4,762,429 | 7.23% |
| Prevention | 1,755,357 | 1,760,550 | 1,690,107 | 1,661,490 | 1,507,266 | -10.82% |
| Senior Millage | 7,404,588 | 6,773,948 | 6,661,368 | 6,691,118 | 6,691,118 | 0.45% |
| Veterans Trust | 72,421 | 62,690 | 75,000 | 105,000 | 105,000 | 40.00% |
| Total Uses | \$ 75,867,502 | \$ 72,272,763 | \$ 77,061,568 | \$ 76,984,464 | \$ 73,860,530 | -4.15% |

Functional Area History of Uses by Category

| Category | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|----------------------|------------------------|------------------------|-------------------------|---------------------------|-------------------------|-----------------------------|
| Personnel | \$ 26,811,729 | \$ 26,878,888 | \$ 27,946,919 | \$ 28,105,204 | \$ 27,397,360 | -1.97% |
| Commodities | 3,438,429 | 4,292,196 | 3,868,809 | 3,837,854 | 3,749,073 | -3.09% |
| Contractual Services | 43,151,895 | 38,824,002 | 42,950,391 | 42,928,161 | 40,604,352 | -5.46% |
| Capital Outlay | 435,448 | 377,711 | 216,665 | 251,759 | 248,259 | 14.58% |
| Other Charges | 2,030,000 | 1,899,966 | 2,078,784 | 1,861,486 | 1,861,486 | -10.45% |
| Transfers Out | - | - | - | - | - | NA |
| Total Uses | \$ 75,867,502 | \$ 72,272,763 | \$ 77,061,568 | \$ 76,984,464 | \$ 73,860,530 | -4.15% |
| Personnel FTE | 394 | 385.5 | 385.2 | 389.1 | 380.9 | |

Strategic Goals

- Create a fair and equitable fee structure for Health Department services that is consistent with surrounding counties and captures 100% of cost of services provided
- Become more outcomes-based with the outcomes firmly grounded in public health science
- Match county funds to expand Medicaid waiver program for seniors who qualify for nursing homes but desire to remain in their own homes
- Advocate for changes in the DHS business model to allow for more creative service delivery

Short-Term Tactical Objectives (by Department)

- **Health Department:** restructure MIHP to make as efficient as possible and to maximize Medicaid revenue, evaluate State WIC payment structure and advocate for equitable funding; improve department’s public relations efforts with both public and elected officials; increase staff diversity and hours of clinical operations; improve outcomes in infant mortality, obesity, tobacco control, land-use decisions, and chronic disease
- **Kent County Veterans’ Affairs Dept:** increase the number of qualified veterans served by the Office and increase the level of financial support obtained for veterans from the Veterans Administration
- **Circuit Court Child Care:** reduce out-of-home placement through more effective programming (in-home care, tether, etc.)
- **DHS Child Care:** reduce length of time in residential care and increase the number of licensed foster families

County Core Priorities

To provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all Kent County citizens by:

- Maintaining current and future financial stability
- Increasing influence on legislative changes
- Maintaining and developing facilities, infrastructure, and programs
- Providing timely, professional, and effective customer service
- Providing safe and healthy communities, enhancing the quality of life in Kent County
- Enhancing work environment, encouraging creativity and innovation
- Promoting open intergovernmental and public relations

Circuit Court Child Care

180 Ottawa Avenue NW, Grand Rapids, MI 49503

Phone: (616) 632-5220 Fax: (616) 632-5130

Mission

To support coordination and collaboration of services for Kent County children and families; to promote children's well-being.

Overview

The Child Care Fund is a collaborative effort between the State and county governments to provide services for abused, neglected or delinquent youth. Funding for programs for delinquent youth are managed by the Court, and consist primarily of out-of-home care and in-home care programs to prevent out-of-home placement. The County incurs the expense of the programs, but is reimbursed by the State for 50 percent of eligible costs.

Operational Goals

- To provide a safe and secure environment for juveniles admitted to Detention
- To reduce further delinquency in the targeted population

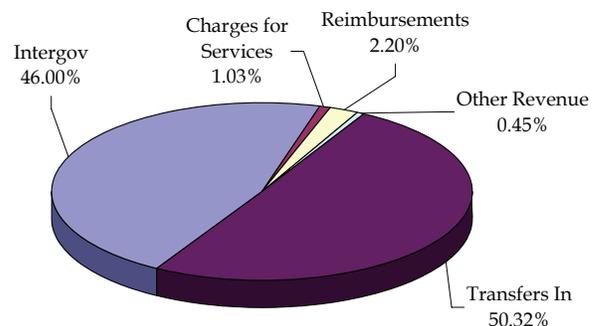
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|----------|----------|----------|---------------|
| Outcome: | | | | |
| Percent of juveniles successfully discharged from probation and referred to the Court for a new law violation | 18.10% | 16.10% | 15.40% | <20.00% |
| Percent of juveniles on community probation who are referred by the police for a felony law violation | 8.70% | 8.30% | 8.26% | <10.00% |
| Percent of parents satisfied with the work of the community probation officer. | 94.00% | 95.00% | 94.00% | 80.00% |
| Percent of successful discharges from long term institutional placement. | 87.10% | 81.80% | 76.60% | 60.00% |
| Efficiency: | | | | |
| Per diem cost per resident (Detention) | \$305.00 | \$287.00 | \$314.00 | \$300.00 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------------|---------------------|---------------------|---------------------|---------------------|
| Child Care Fund | | | | |
| Intergovernmental | \$ 9,425,100 | \$ 9,044,043 | \$ 9,726,024 | \$ 9,407,619 |
| Charges for Services | 191,977 | 201,875 | 210,000 | 210,000 |
| Reimbursements | 562,520 | 381,354 | 450,000 | 450,000 |
| Other Revenue | 35,000 | 70,000 | 77,000 | 90,000 |
| Transfer from GF | 10,917,959 | 9,883,395 | 10,724,798 | 10,292,915 |
| Total Child Care Fd | \$21,132,555 | \$19,580,666 | \$21,187,822 | \$20,450,534 |
| Other Funds | | | | |
| Special Projects | 2,698 | 3,106 | 2,500 | 2,500 |
| Total Revenue | \$21,135,253 | \$19,583,772 | \$21,190,322 | \$20,453,034 |

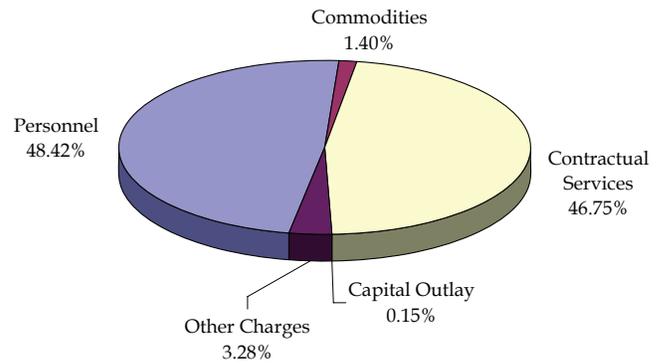
2012 Adopted Revenues \$20,453,034



Department Expenditures by Category

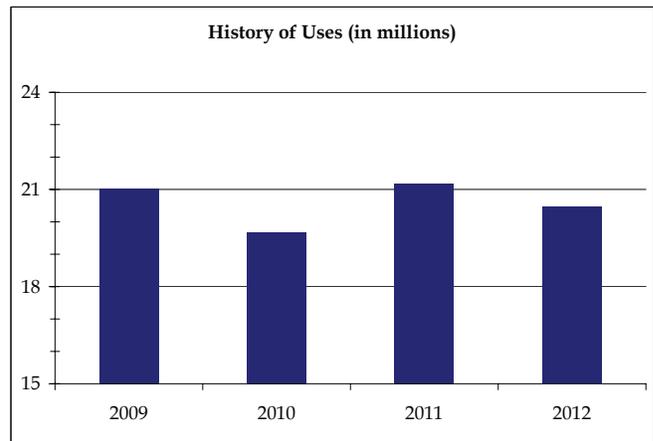
| | 2009 | 2010 | 2011 | 2012 |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted | Adopted |
| Child Care Fund | | | | |
| Personnel | \$ 9,438,411 | \$ 9,636,178 | \$ 9,991,622 | \$ 9,905,394 |
| Commodities | 302,732 | 283,186 | 282,287 | 285,620 |
| Contractual | 10,484,770 | 9,106,438 | 10,197,963 | 9,556,314 |
| Operating Capital | 62,069 | 11,839 | 17,920 | 31,350 |
| Other Expense | 754,302 | 630,622 | 698,030 | 671,856 |
| Total Uses | \$21,042,284 | \$19,668,263 | \$21,187,822 | \$20,450,534 |
| Other Funds | | | | |
| Special Projects | 2,220 | 1,901 | 5,698 | 6,606 |
| Total Department | \$21,044,504 | \$19,670,164 | \$21,193,520 | \$20,457,140 |
| Personnel FTE | 137 | 135.9 | 134.6 | 134.3 |

2012 Adopted Uses
\$20,457,140



Program Expenditures

| | 2009 | 2010 | 2011 | 2012 |
|-----------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted | Adopted |
| Juvenile Sex Offender | \$ 342,339 | \$ 328,538 | \$ 386,266 | \$ 405,858 |
| Juvenile Court Casa | 156,442 | 226,442 | 240,442 | 266,442 |
| Facilities Mgmt | 693,972 | 655,030 | 707,713 | 702,997 |
| Community Prob | 4,410,863 | 4,287,002 | 4,509,023 | 4,461,909 |
| Juvenile Asmt/ Diver | 196,459 | 213,484 | 234,901 | 194,760 |
| Placement | 7,374,020 | 6,204,945 | 7,150,741 | 6,448,242 |
| Deling Inten Interven | 204,354 | 204,354 | 204,354 | 214,572 |
| Community Reinte | 286,173 | 298,046 | 313,041 | 315,779 |
| Juvenile Detention | 6,856,182 | 6,732,139 | 6,899,831 | 6,895,114 |
| Detention Milk Meal | 94,960 | 95,000 | 95,000 | 95,000 |
| Crisis Intervention | 426,520 | 423,283 | 446,510 | 449,861 |
| Juv Acct-Don/Incent | 2,220 | 1,901 | 5,698 | 6,606 |
| Total | \$21,044,504 | \$19,670,164 | \$21,193,520 | \$20,457,140 |



Significant Budget Issues

For 2012, a full-time vacant Juvenile Probation Officer Supervisor position was eliminated; a Cook's hours increased by 0.20 FTE; and a Juvenile Probation Officer was split between the General Fund's 17th Circuit Court budget (which is in Judicial) and the Circuit Court Child Care budget in 2011, but is included 100% in the Circuit Court Child Care 2012 budget for a net decrease of 0.30 FTE.

Significant Accomplishments

- The construction project in the Detention Facility to remodel and renovate the cafeteria and dining areas was completed in 2011. This enhanced the safety and security for the residents and the staff at the facility.



Health Department

700 Fuller Avenue NE, Grand Rapids, MI 49503

Phone: (616) 632-7100 Fax: (616) 632-7084

Mission

The Kent County Health Department shall be responsive to the community health needs of the citizens of Kent County by continually and diligently endeavoring to prevent disease, prolong life, and promote the public health.

Overview

The Kent County Health Department (KCHD) is responsible for continually assessing the health of the community and ensuring that certain services are available and accessible for its citizens. To this end, the Health Department investigates the causes of disease, epidemics, morbidity and mortality, and environmental health hazards using vital and health statistics for epidemiological studies. KCHD also plans and implements public education and enforces public health laws.

The Health Department is responsible for assuring the provision of certain core programs in the following areas: vision and hearing screening, public water supplies, private and Type II groundwater supplies, food service sanitation, immunization, sexually transmitted diseases, on-site sewage disposal management, and general communicable disease control. KCHD offers several other services beyond these core programs.

The Health Department operates five public health clinics throughout the county that offer immunizations and the Women, Infants, and Children program (WIC). These programs prevent disease and ensure adequate nutrition for moms and babies from pregnancy to childhood. KCHD also operates a tuberculosis (TB) and Personal Health Services (PHS) clinic. Through testing and direct observed therapy, the TB clinic aggressively treats cases of TB to eradicate the disease from Kent County. PHS offers testing, counseling, and in some cases, treatment, of HIV, gonorrhea, syphilis, and Chlamydia. As part of its work, the Communicable Disease and Epidemiology units of KCHD work with local health care providers to track disease, investigate outbreaks, and report County-wide case numbers for these diseases and approximately 75 other illnesses ranging from influenza to salmonella. KCHD has a state-of-the-art laboratory to test virus cultures, water samples, and more.

While the clinic and lab settings are a big part of public health, much of the Health Department's work takes place in the field. Public health nurses and caseworkers make thousands of home visits each year, teaching parenting skills, inspecting homes that have contributed to lead poisoning in children, and supporting parents who are grieving the loss of a child. Sanitarians inspect restaurants, swimming pools, adult care facilities, well and septic supplies, and more. Nurses make home visits to ensure that TB patients are completing their treatment regimens. PHS staff take HIV testing into the community to target high-risk populations. Health Education and Promotion staff bring important lessons to classrooms, places of worship, the workplace, and elsewhere. Education topics range from dog bite prevention to hand-washing to safe dating.

Finally, KCHD oversees the Kent County Animal Shelter. Shelter staff and Animal Control work together to protect Kent County residents from harm done by animals and to protect animals from cruelty and neglect from people. The Shelter's adoption program strives to place homeless pets into the homes of responsible pet owners.

KCHD's work spans a wide range of responsibilities, all with the common goal of promoting health, preventing illness, and prolonging life.

Strategic Goals

Strategic issues for the Department include:

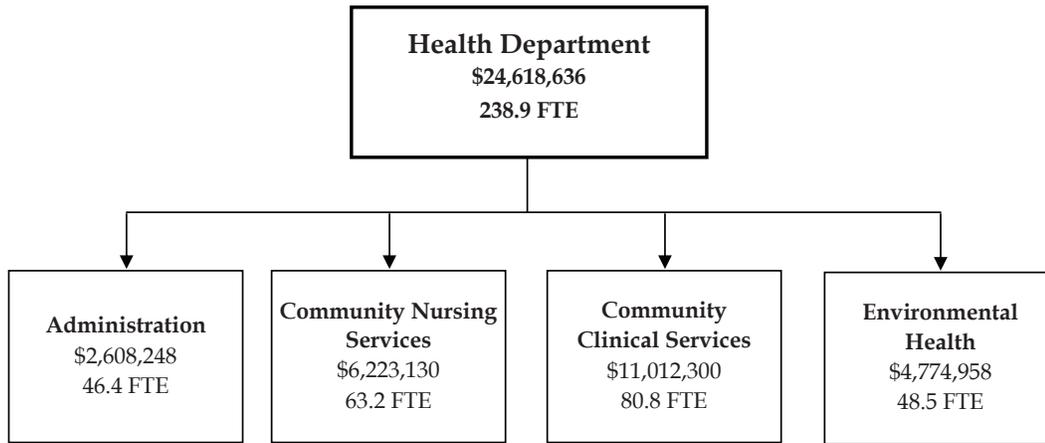
- Become more outcome based with the outcomes firmly grounded in public health science;
- Continue to maintain accreditation through the Michigan Department of Community Health and seek national accreditation through the Public Health Accreditation Board;
- Reduce cost of Kent County government operations; and
- Diversify sources of revenue.



Operational Goals

- To reduce transmission of communicable disease
- Improve health for women of childbearing age, pregnant women and children
- Improve access to health care
- Reduce preventable illnesses, injuries, and deaths in children
- To provide protection against vaccine-preventable diseases through the administration of vaccines and the assurance of effective immunization coverage levels
- Provide temporary housing and disposition of stray and unwanted companion animals

Organizational Structure

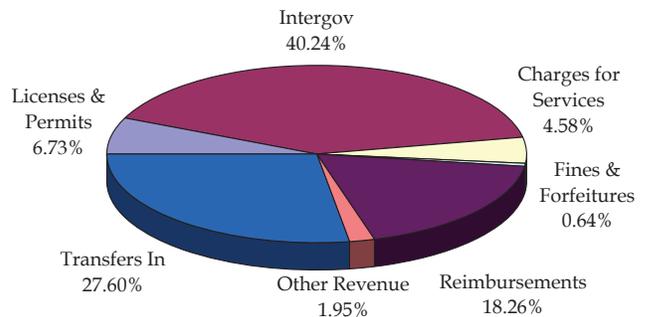


This chart does not include the estimated appropriation lapse of \$500,001.

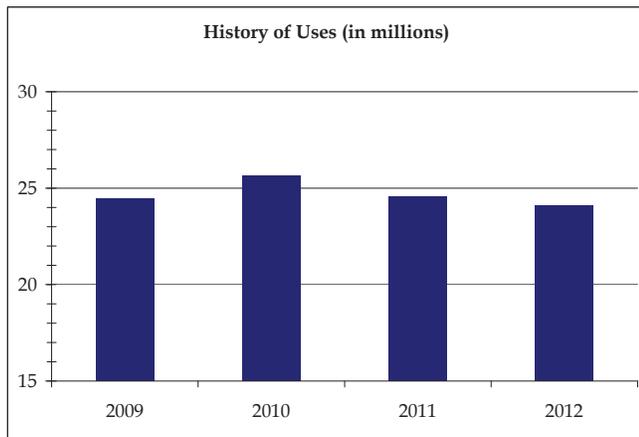
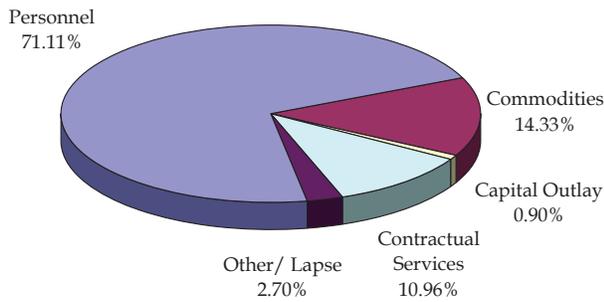
Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| Health Department Fund | | | | |
| Licenses & Permits | \$ 1,376,145 | \$ 1,624,421 | \$ 1,543,053 | \$ 1,622,718 |
| Intergovernmental | 10,038,973 | 12,208,084 | 9,986,422 | 9,705,921 |
| Charges for Services | 814,732 | 879,339 | 893,705 | 1,105,652 |
| Fines & Forfeitures | 135,767 | 143,986 | 142,000 | 155,143 |
| Reimbursements | 3,508,764 | 4,874,351 | 4,588,451 | 4,403,135 |
| Other Revenue | 354,738 | 436,619 | 381,853 | 469,198 |
| Transfer from GF | 8,345,288 | 5,369,279 | 7,029,696 | 6,656,868 |
| Total Revenue | \$24,574,407 | \$25,536,080 | \$24,565,180 | \$24,118,635 |

**2012 Adopted Revenues
\$24,118,635**



**2012 Adopted Uses
\$24,118,635**



Significant Accomplishments

- Fiscal Year 2011 was an exciting and challenging year for the Kent County Health Department. One of the biggest challenges the Health Department faced was bringing more than 80 health care organizations, social agencies, and community groups together to form a Community Health Needs Assessment (CHNA) for Kent County. Input for the CHNA came from a racially and ethnically diverse group of individuals from throughout Kent County, with a broad range of life experiences and economic backgrounds. The CHNA found more than 40 issues that residents want addressed, and the CHNA Steering Committee narrowed that list to the Top 5 Strategic Priorities. These five priorities will be used in 2012 to formulate the Community Health Improvement Plan for Kent County.
- Looking forward to 2012, the Kent County Health Department is aggressively seeking National Public Health Accreditation through the Public Health Accreditation Board. This accreditation is the development of a set of standards and measures, challenging employees to meet or exceed those measures, and recognition for departments who meet those measures. National accreditation declares that the health department has an appropriate mission and purpose and can demonstrate that it will continue to accomplish its mission and purpose.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| Health Department Fund | | | | |
| Personnel | \$17,129,736 | \$16,975,233 | \$17,671,034 | \$17,150,562 |
| Commodities | 3,129,146 | 4,003,300 | 3,581,722 | 3,455,853 |
| Contractual | 2,554,282 | 3,043,004 | 2,634,428 | 2,643,800 |
| Operating Capital | 373,380 | 365,872 | 198,745 | 216,909 |
| Other Expense | 1,273,199 | 1,253,516 | 1,329,249 | 1,151,512 |
| Appropriation Lapse | - | - | (849,998) | (500,001) |
| Total Uses | \$24,459,743 | \$25,640,924 | \$24,565,180 | \$24,118,635 |
| Personnel FTE | 248.5 | 241.1 | 242.1 | 238.9 |

Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
| Administration | | | | |
| Agency Support | \$ 140,831 | \$ 356,627 | \$ 88,250 | \$ 73,750 |
| Grant Programs | 191,023 | 134,359 | 203,904 | 238,001 |
| Facilities Mgmt | 2 | 386 | - | - |
| Healthy Kent 2010 | 100,384 | 97,778 | 103,522 | 104,946 |
| HealthCare for PoC | 27,150 | 27,624 | 6,388 | - |
| Obesity Initiative | 174,852 | 130,261 | 139,421 | 164,307 |
| Health Education | 1,098,889 | 1,012,002 | 1,066,383 | 1,091,163 |
| H1N1 Implementation | - | 1,084,442 | - | - |
| Substance Abuse Prev | 317,096 | 305,133 | 278,213 | 266,773 |
| Communicable Dis | 486,328 | 419,077 | 548,492 | 401,977 |
| Emerg Preparedness | 292,499 | 290,059 | 279,585 | 267,331 |
| Pandemic Flu | 55,694 | 486,957 | - | - |
| Community Nursing | | | | |
| Children's Services | 371,383 | 443,721 | 483,006 | 473,723 |
| Nursing Admin | 1,200 | 1,250 | 1,010 | 1,510 |
| Advocacy & Prev | 383,609 | 331,336 | 364,482 | 95,089 |
| Vision & Hearing | 594,377 | 569,718 | 647,632 | 809,710 |
| Community Nursing | 3,579,592 | 3,276,418 | 3,612,272 | 3,261,647 |
| Grant Program | 305,665 | 236,067 | 240,661 | 223,903 |
| Nurse Fam Partnership | 447,588 | 427,602 | 525,317 | 533,201 |
| Strong Beginnings | 310,918 | 267,019 | 309,783 | 272,207 |
| Strong Begin-Kellogg | - | - | - | 303,653 |
| Refugee Health Svc | 190,025 | 209,159 | 221,531 | 248,487 |
| Comm Nursing Grt | 4,870 | 56,169 | - | - |
| Clinical Services | | | | |
| Sex Tran Infect Disease | 1,107,409 | 1,145,741 | 1,224,098 | 1,147,498 |
| TB Control | 546,852 | 537,306 | 573,365 | 572,069 |
| Clinical Services | 22 | 1 | 50 | 10 |
| Clinical Services-WIC | 4,453,774 | 4,222,725 | 4,806,967 | 4,791,809 |
| Clin Svs-Immunization | 3,999,206 | 4,650,868 | 4,114,860 | 4,177,293 |
| Clinical Svs-WIC Peer | - | - | 338,950 | 323,621 |
| Environmental Health | | | | |
| Animal Shelter | 1,794,852 | 1,753,595 | 1,958,194 | 1,930,560 |
| Environmental Health | 1,198,248 | 953,946 | 1,095,033 | 968,686 |
| Kent County Lab | 1,049,482 | 950,287 | 985,884 | 633,740 |
| Children's EH | 105,993 | 97,916 | - | - |
| Food Svc Sanitation | 1,102,621 | 1,165,375 | 1,197,925 | 1,241,972 |
| Fire Prev & Safety | 27,310 | - | - | - |
| Total | \$24,459,743 | \$25,640,924 | \$25,415,178 | \$24,618,636 |

This chart does not include the estimated appropriation lapse for FY 2011 and FY 2012.

Administration

The Administration division is responsible for establishing the overall goals and strategic direction for the Health Department. Included within Administration are Finance, Information Technology, Communicable Disease/Epidemiology, Health Education and Promotion, and Emergency Preparedness Sections. Administration also includes the Infant Health Initiative, the Obesity Initiative, Healthy Kent 2020, and Emerging Issues. The Administration division is responsible for ensuring that each of the Health Department's divisions, sections, and programs are managed effectively and that all contractual obligations and requirements including department wide accreditation is maintained.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|----------|----------|----------|------------------|
| Outcome: | | | | |
| Percentage of communicable disease investigations completed within 30 days of report | 86.00% | 88.00% | 90.00% | 95.00% |
| Output: | | | | |
| Number of communicable disease investigations | 2,369 | 1,464 | 1,485 | 1,500 |
| Efficiency: | | | | |
| Cost per case of communicable disease investigated | \$227.00 | \$286.00 | \$302.00 | \$268.00 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|
| Health Department Fund | | | | |
| Licenses & Permits | \$ 210 | \$ 290 | \$ 250 | \$ 250 |
| Intergovernmental | 932,165 | 2,377,997 | 745,778 | 688,036 |
| Charges for Services | 28,967 | 20,440 | 15,000 | 37,584 |
| Reimbursements | 415,339 | 699,626 | 306,097 | 290,887 |
| Other Revenue | 3,378 | 250 | - | - |
| Transfer from GF | 1,937,135 | 1,135,266 | 1,469,364 | 1,480,306 |
| Total Revenue | \$3,317,194 | \$4,233,868 | \$2,536,489 | \$2,497,063 |

Significant Budget Issues

Overall, the total expenditures for administration have decreased for FY 2012. Personnel costs have increased slightly due to the increased costs of salary and benefits. Commodities have decreased due to a reduction in the amount budgeted for Emerging Issues. Contractual expenditures have increased slightly to cover the cost of the Community Health Needs Assessment and the development of the Community Health Improvement Plan that is being completed in FY 2012. Operating capital has also increased slightly to cover the cost of implementing a new e-mail system and the rollout of Windows 7 that is planned for FY 2012. Other expenses have decreased slightly due to the reduction in the County Cost Allocation chargeback.

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|
| Health Department Fund | | | | |
| Personnel | \$3,905,362 | \$4,163,430 | \$3,918,096 | \$3,950,109 |
| Commodities | 155,776 | 161,368 | 437,969 | 375,295 |
| Contractual | 793,753 | 1,223,724 | 743,848 | 797,559 |
| Operating Capital | 270,741 | 266,370 | 106,320 | 163,449 |
| Other Expense | (2,240,885) | (1,470,187) | (2,492,075) | (2,678,164) |
| Total Uses | \$2,884,748 | \$4,344,705 | \$2,714,158 | \$2,608,248 |
| Personnel FTE | 51.5 | 48.9 | 46.4 | 46.4 |

2012 personnel changes include the elimination of a Stores Clerk split hours of 0.4 FTE, a decrease of 0.6 FTE as a result of minimal hours for five positions moving from Administration to Environmental Health, and the addition of one full-time Public Health Nurse Supervisor moving from Community Nursing to Administration. These changes had a net effect of zero in the FTE count.

Community Nursing

The Community Nursing division focuses on preventing health problems. The Division's Maternal Infant Health Program (MIHP) provides health assessment, education, counseling, and case management for pregnant women and infants. The division provides vision and hearing screening for pre-school and school-aged children. The Community Nursing division also provides services to other vulnerable or at-risk populations in Kent County, such as refugees and children who are chronically ill or handicapped.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|----------|----------|----------|---------------|
| Outcome: | | | | |
| Percent of NFP clients delivering at equal to or greater than 37-week gestation | 94.00% | 83.00% | 88.00% | 95.00% |
| % of refugees who received health screening within 60 days (RAP report) | 95.00% | 98.75% | 94.00% | 100.00% |
| Percent of children less than six years of age with blood lead levels of less than 10ug/dL | 99.00% | 99.30% | 99.30% | 100.00% |
| Output: | | | | |
| Number of children receiving Hearing/Vision screening | 89,621 | 89,635 | 91,733 | 92,000 |
| Efficiency: | | | | |
| Cost per refugee | \$376.00 | \$375.00 | \$451.00 | \$451.00 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|
| Health Department Fund | | | | |
| Intergovernmental | \$1,485,820 | \$1,092,040 | \$1,056,046 | \$1,049,232 |
| Charges for Services | 1,200 | 1,250 | 1,000 | 99,182 |
| Fines & Forfeitures | 450 | 4 | 500 | 500 |
| Reimbursements | 1,986,027 | 2,701,724 | 2,891,923 | 2,913,219 |
| Other Revenue | 308,179 | 396,288 | 345,893 | 431,728 |
| Transfer from GF | 2,269,123 | 1,500,203 | 1,882,687 | 1,608,457 |
| Total Revenue | \$6,050,799 | \$5,691,508 | \$6,178,049 | \$6,102,318 |

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|---------------------|--------------------|--------------------|--------------------|
| Health Department Fund | | | | |
| Personnel | \$ 4,599,445 | \$4,462,711 | \$4,729,597 | \$4,465,937 |
| Commodities | 64,789 | 55,255 | 52,905 | 48,865 |
| Contractual | 414,905 | 422,140 | 429,650 | 519,917 |
| Operating Capital | 11,971 | - | 8,160 | - |
| Other Expense | 1,098,117 | 878,352 | 1,185,382 | 1,188,411 |
| Total Uses | \$ 6,189,227 | \$5,818,458 | \$6,405,694 | \$6,223,130 |
| Personnel FTE | 64.5 | 65.5 | 64.8 | 63.2 |

Significant Budget Issues

Overall, the total expenditures for Community Nursing have decreased significantly for 2012. The majority of the reductions have occurred in personnel costs. The Health Department made the decision to terminate the Healthy Start program which resulted in the elimination of 1.6 FTE Family Health Assessor positions. Personnel changes in the Maternal Infant Health Program include the elimination of a full-time Outreach Worker, and reducing a Public Health Nutritionist and a Public Health Nurse from full-time to part-time. A Public Health Nurse Supervisor moved to Administration and three full-time Outreach Workers were added for a new Strong Beginnings grant. Overall FTEs decreased by 1.6.

In addition, the County offered an early retirement incentive to staff in December of 2010. This resulted in the retirements of several long-term employees. The vacated positions have been replaced, but at significantly lower salaries.

Community Clinical Services

The Community Clinical Services division provides services to help individuals stay healthy, and to detect potential health problems as early as possible. Clinical health services include immunizations, Supplemental Nutrition Program for Women, Infants, and Children (WIC), and lead screenings. Community Clinical Services also includes the Personal Health Services unit which provides for the prevention, diagnosis and treatment of sexually transmitted infections including HIV/AIDS, Gonorrhea, Chlamydia, and Syphilis. This unit also works to control and provide treatment to prevent the spread of tuberculosis (TB). In order to make these services as accessible as possible, the Health Department currently operates five public health clinics throughout Kent County.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|----------|----------|----------|---------------|
| Outcome: | | | | |
| Percent of children 19-35 months of age fully immunized based on MCIR registry data | 77.00% | 77.00% | 82.00% | 83.00% |
| Output: | | | | |
| The number of children 19-35 months of age fully immunized based on MCIR registry data | 10,731 | 10,543 | 10,857 | 10,900 |
| Efficiency: | | | | |
| Immunization cost per client visit | \$ 70.00 | \$ 74.00 | \$ 81.00 | \$ 83.00 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| Health Department Fund | | | | |
| Intergovernmental | \$ 6,449,740 | \$ 7,551,817 | \$ 7,151,921 | \$ 7,147,841 |
| Charges for Services | 361,690 | 424,376 | 413,090 | 524,726 |
| Reimbursements | 869,783 | 1,264,876 | 1,178,356 | 1,155,064 |
| Other Revenue | 13,602 | 8,882 | 7,960 | 7,470 |
| Transfer from GF | 2,346,556 | 1,373,953 | 2,058,106 | 2,025,095 |
| Total Revenue | \$10,041,371 | \$10,623,904 | \$10,809,433 | \$10,860,196 |

Significant Budget Issues

Overall, the total expenditures for Community Clinical Services have decreased slightly for FY 2012. The closing of the Westside clinic during FY 2011 provided the opportunity to gain efficiencies in staffing needs, resulting in the elimination of a 1.0 FTE Clerk II position and a 0.5 FTE Clerk Typist II position from the WIC program. The number of clients receiving immunizations at the Health Department has increased which has resulted in the need for more purchased vaccine and an increase in commodities. This increase has also resulted in an increase in the Charges for Services revenue line. Contractual expenditures have decreased slightly due to the transfer of Sexually Transmitted Infections testing from the Health Department laboratory to the State laboratory.

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| Health Department Fund | | | | |
| Personnel | \$ 5,076,824 | \$ 4,902,112 | \$ 5,491,307 | \$ 5,409,861 |
| Commodities | 2,623,008 | 3,447,458 | 2,732,518 | 2,833,388 |
| Contractual | 967,130 | 1,078,331 | 1,124,637 | 1,018,881 |
| Operating Capital | 12,696 | 2,787 | 43,005 | 20,760 |
| Other Expense | 1,427,605 | 1,125,954 | 1,666,823 | 1,729,410 |
| Total Uses | \$10,107,263 | \$10,556,641 | \$11,058,290 | \$11,012,300 |
| Personnel FTE | 81 | 76.3 | 82.2 | 80.8 |

Other personnel changes include the elimination of a Stores Clerk split hours of 0.6 FTE and an increase in overall Retiree Rehire hours of 0.7 FTE for a total net decrease of 1.4 FTEs.

Environmental Health

The Environmental Health division is responsible for assuring a clean and potable public water supply, inspecting Kent County's food service establishments, and making the community safe for animal and human cohabitation. Environmental Health activities include land use evaluation, well and septic system assessment, ground water monitoring, and lead and radon hazard reduction. The Environmental Health division operates the Kent County Animal Shelter. Animal Shelter priorities include bite prevention education, community animal control and enforcement, and reducing pet overpopulation by promoting spaying and neutering of companion pets.

The Environmental Health division also oversees the laboratory unit which provides bacterial and chemical analysis of drinking water, diagnostic testing for sexually transmitted diseases, and diagnostic testing of specimens associated with food borne outbreaks.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|--------|---------|---------|------------------|
| Outcome: | | | | |
| Percent of well/septic system evaluations investigated/closed within 30 days | 97.00% | 97.00% | 96.00% | 100.00% |
| Percent of fixed food service inspections at required frequency | 99.00% | 100.00% | 100.00% | 100.00% |
| Percent of Type II water supplies without MCL violations | 97.00% | 97.50% | 98.20% | 100.00% |
| Percent of animals reclaimed, adopted, or transferred | 28.00% | 29.00% | 27.50% | 35.00% |
| Efficiency: | | | | |
| Number of fixed food establishments per Food Sanitarian | 203.0 | 214.0 | 227.0 | 229.0 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|
| Health Department Fund | | | | |
| Licenses & Permits | \$1,375,935 | \$1,624,131 | \$1,542,803 | \$1,622,468 |
| Intergovernmental | 1,171,249 | 1,186,230 | 1,032,677 | 820,812 |
| Charges for Services | 422,874 | 433,273 | 464,615 | 444,160 |
| Fines & Forfeitures | 135,317 | 143,983 | 141,500 | 154,643 |
| Reimbursements | 237,615 | 208,127 | 212,075 | 43,965 |
| Other Revenue | 29,578 | 31,200 | 28,000 | 30,000 |
| Transfer from GF | 1,792,474 | 1,359,857 | 1,619,539 | 1,543,010 |
| Total Revenue | \$5,165,042 | \$4,986,800 | \$5,041,209 | \$4,659,058 |

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------------|---------------------|--------------------|--------------------|--------------------|
| Health Department Fund | | | | |
| Personnel | \$ 3,548,104 | \$3,446,980 | \$3,532,034 | \$3,324,655 |
| Commodities | 285,573 | 339,219 | 358,330 | 198,305 |
| Contractual | 378,494 | 318,809 | 336,293 | 307,443 |
| Operating Capital | 77,972 | 96,715 | 41,260 | 32,700 |
| Other Expense | 988,362 | 719,397 | 969,119 | 911,855 |
| Total Uses | \$ 5,278,505 | \$4,921,120 | \$5,237,036 | \$4,774,958 |
| Personnel FTE | 51.5 | 50.4 | 48.7 | 48.5 |

Significant Budget Issues

Overall, total revenues and expenditures for Environmental Health have decreased significantly for FY 2012. The State eliminated the funding for the Regional Laboratories to provide Sexually Transmitted Infections testing, resulting in a reduction in Intergovernmental revenues. In addition, Sexually Transmitted Infections testing for Medicaid clients is being done in Lansing as well, resulting in a significant reduction in Medicaid revenue that is included in the Reimbursements revenue line. Because of these reductions, the Health Department eliminated a 0.8 FTE Medical Technologist position. In addition to the elimination of a position, personnel costs have been reduced significantly because of the early retirement incentive offered to staff in December of 2010. This resulted in the retirements of several long-term employees. The vacated positions have been replaced, but at significantly lower salaries. Commodities have decreased significantly due to the reduction of expenditures for laboratory testing supplies that are no longer needed. Also, in 2012, minimal hours for five positions, or a total 0.6 FTE, were added to Environmental Health from Administration for an overall net decrease of 0.2 FTE.

Medical Examiner

700 Fuller Avenue NE, Grand Rapids, MI 49503

Phone: (616) 632-7275 Fax: (616) 632-7088

Mission

The Kent County Medical Examiner's Office serves the community by investigating sudden, unexpected, violent, suspicious, or unnatural deaths. It is with a true sense of civic duty and public service that we conduct our death investigations for the community.

Overview

The office of the Medical Examiner provides forensic investigation of all suspicious deaths, as well as all deaths that take place unexpectedly or without the attendance of a physician. Activities include autopsies, establishment of the cause and manner of death, death scene investigations, and court testimony. The Medical Examiner is also authorized to issue cremation permits as well as disinterment and reinterment permits.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------------------|---------------------|----------------------|---------------------|
| Outcome: | | | | |
| Number/percentage of case reports completed within 2 months of death | 886 cases 95.17% | 976 cases 97.43% | 1005 cases 96.60% | 950 cases 98.00% |
| Percentage of autopsies completed within 3 months of death | 88.89% | 90.82% | 86.86% | 95.00% |
| Efficiency: | | | | |
| Average cost per case of death investigated | \$ 1,304.00 | \$ 986.00 | \$ 1,009.00 | \$ 1,040.00 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|------------------|-------------------|------------------|-------------------|
| General Fund | | | | |
| Reimbursements | \$ 65,095 | \$ 101,628 | \$ 92,400 | \$ 114,430 |
| Total General Fund | \$ 65,095 | \$ 101,628 | \$ 92,400 | \$ 114,430 |

Significant Budget Issues

One Medical Examiner position went from full-time in 2011 to 0.2 FTE in 2012 for a decrease of 0.8 FTE.

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|---------------------|-------------------|---------------------|---------------------|
| General Fund | | | | |
| Personnel | \$ 180,097 | \$ 178,029 | \$ 191,309 | \$ 187,500 |
| Commodities | 5,050 | 3,833 | 3,600 | 3,600 |
| Contractual | 1,029,971 | 805,537 | 1,043,645 | 974,030 |
| Operating Capital | - | - | - | - |
| Total Uses | \$ 1,215,117 | \$ 987,399 | \$ 1,238,554 | \$ 1,165,130 |
| Personnel FTE | 7.5 | 7.5 | 7.5 | 6.7 |

Veterans' Affairs

82 Ionia NW - STE 380, Grand Rapids, MI 49504

Phone: (616) 336-3492 Fax: (616) 336-4193

Mission

The mission of the Kent County Veterans' Affairs Department is to provide accurate, efficient and timely service to ensure delivery of benefits to Kent County veterans and their families.

Overview

The Kent County Veterans' Affairs Department provides assistance in applying for federal, state and local veterans' benefits, information, referrals and support services to veterans and their families.

The department provides burial assistance for eligible veterans and their spouses; reimbursement of foundation costs to put a Veterans Administration marker on the graves of eligible veterans; non-recurring, emergency financial assistance for eligible veterans or their surviving spouses; and a contact for both the general public and veterans to receive information about other veterans' services and programs that are available.

Operational Goals

- Increase the awareness of services available to Kent County veterans and their families
- Diversify funding sources to ensure that the quality of services to veterans and their families is maintained in conjunction with the increasing number of clients served
- Provide quality services to Kent County veterans and their families

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|---|------|---------|---------|---------------|
| Outcome: | | | | |
| Percent of veterans that received initial phone screening to determine eligibility | NA | 100.00% | 100.00% | 100.00% |
| Percentage of appointments scheduled within 3 weeks of initial phone contact. | NA | 100.00% | 100.00% | 100.00% |
| Percentage of VA claims submitted to the proper VA regional office within 1 business day. | NA | 100.00% | 98.00% | 100.00% |
| Percentage of surveys returned with an overall rating of good or higher. | NA | 100.00% | 96.00% | 100.00% |
| Percent of decrease in time in claim application process. (25% by 2011) | NA | 0.00% | 25.00% | 100.00% |
| Output: | | | | |
| Number of grant applications submitted during fiscal year. | NA | 1 | 0 | 1 |

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Personnel | \$ 44,056 | \$ 70,017 | \$ 73,454 | \$ 134,404 |
| Commodities | 1,501 | 1,878 | 1,200 | 4,000 |
| Contractual Services | 146,605 | 104,467 | 94,855 | 123,729 |
| Total Uses | \$ 192,163 | \$ 176,362 | \$ 169,509 | \$ 262,133 |
| Personnel FTE | 1 | 1 | 1 | 1 |

Significant Accomplishments

- Established a veterans cooperative committee with federal, state and local representation to discuss current issues and resources related to veterans. Staff has earned accreditation through the County Veteran Service Officers. A new customer service survey has been implemented to monitor client satisfaction and to identify any gaps in service. The Michigan Veterans Trust Fund is now located and operated through the Kent County Department of Veterans Affairs.

Non-Departmental

Area Agency on Aging of Western Michigan, Inc. (AAAWM)

The Region 8 Area Agency on Aging, which serves Kent and eight other West Michigan counties, was established in 1974 as a regional organization to plan for, secure and administer federal, state and local funds to provide services for individuals 60 years of age or older. Participation in the program by the County is voluntary. Each year the Board authorizes a contribution of funds to AAAWM to provide a match so that Kent County seniors can benefit from available federal and state funding, which requires such a match. The local contribution level is set annually by the AAAWM Board.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|------------------|------------------|------------------|------------------|
| General Fund | | | | |
| Contractual Services | \$ 14,546 | \$ 14,546 | \$ 14,546 | \$ 14,546 |
| Total Uses | \$ 14,546 | \$ 14,546 | \$ 14,546 | \$ 14,546 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

There are no significant budget issues to report.

Prevention Initiative

In 2002, the Board of Commissioners appropriated funding for an innovative initiative to fund and evaluate services to reduce the prevalence of costly and destructive social and health problems. The County appropriated funding to expand services in three priority areas: primary prevention family support services for parents of children ages birth to five; early intervention for children at risk of abuse or neglect; and substance abuse services focusing on the entire family. The initiative, which includes an evaluation component, is managed by the Administrator's Office.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Contractual Services | \$1,755,357 | \$1,760,550 | \$1,690,107 | \$1,507,266 |
| Total Uses | \$1,755,357 | \$1,760,550 | \$1,690,107 | \$1,507,266 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

Although funding for the Prevention Initiative has been reduced, our ability to leverage and better coordinate services will minimize the impact of funding reductions. Evaluation services are being kept intact and reduction in program services funding will not negatively impact the validity of the on-going study.

Department of Human Services - Child Care

The Child Care Fund is a collaborative effort between the State and county governments to provide services for abused, neglected or delinquent youth. Funding for programs for abused and neglected youth, or those deemed to be at risk of abuse or neglect, are managed by the State Department of Human Services, and consist primarily of out-of-home care and in-home care programs to prevent out-of-home placement. The County serves as the fiduciary of the funding for the program, and receives 50 percent reimbursement from the State for eligible expenses.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|---------------------|---------------------|---------------------|---------------------|
| DHS - Child Care Fund | | | | |
| Contractual Services | \$12,922,317 | \$10,556,597 | \$13,800,278 | \$11,904,201 |
| Other Charges | 2,499 | 15,828 | 51,505 | 38,118 |
| Total Uses | \$12,924,816 | \$10,572,425 | \$13,851,783 | \$11,942,319 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

There are no significant budget issues to report.

Department of Human Services - Social Welfare

Kent County annually appropriates funds to the Department of Human Services (DHS), a State agency, for specific activities. Traditionally, Kent County has provided funding to pay the salaries of DHS Board members, as well as fund some DHS administrative staff expenses, such as travel, benefits, computer equipment and software, etc. Kent County also annually appropriates funds to the DHS for allocation to various human services programs and client needs for which no other funding source exists. The Kent County Treasurer serves as the custodian of all funds provided for the use of the DHS, including State and Federal funds. In this capacity, the County maintains the funds and records as required by the State.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|
| DHS - Social Welfare Fund | | | | |
| Contractual Services | \$1,431,968 | \$1,435,528 | \$1,620,000 | \$1,720,000 |
| Total Uses | \$1,431,968 | \$1,435,528 | \$1,620,000 | \$1,720,000 |
| Other Funds | | | | |
| General Fund | 729,456 | 669,240 | 690,763 | 614,813 |
| Total Department | \$2,161,424 | \$2,104,769 | \$2,310,763 | \$2,334,813 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

There are no significant budget issues to report.

Intergovernmental

This budget accounts for payments to other units of government which are outside the scope of any single department or operation. This activity includes the County's contribution to the Mental Health Authority, network 180, as well as liquor tax funding dedicated for substance abuse services.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Contractual Services: | | | | |
| Network 180 | 2,162,386 | 2,025,942 | 2,025,942 | 2,025,942 |
| Ntwk 180-Liquor Tax | 1,683,438 | 1,706,044 | 1,638,298 | 1,959,487 |
| Kent Health Plan | 777,000 | 777,000 | 777,000 | 777,000 |
| Total Uses | \$4,622,824 | \$4,508,986 | \$4,441,240 | \$4,762,429 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

Included in this budget are payments, outside the scope of any single department, which are made to outside agencies: Payments to the County's Mental Health Authority include both the County's payment pursuant to State Statute, as well as the Liquor Tax revenues as required by law. Also depicted here are payments to the Kent Health Plan, which prior to 2009 was accounted for in the Social Welfare Fund. The liquor tax funding from the State of Michigan was suspended in 2007. The State did restore funding in 2008, and State funding has been included in 2009 and 2010 Actual numbers and in the 2011 and 2012 budgets. Pursuant to legislation passed in December 2008, the County distribution of liquor tax proceeds will occur along the same formula until 2015 (the year in which the tax was slated to sunset), although proceeds should actually increase in 2014 and 2015, as the bonds on the original Cobo Hall (Detroit) financing deal will be largely paid off at that time. The sunset in liquor tax funding is now extended until 2039, or as soon as the new Cobo Hall financing bonds are retired. After 2015, counties may see a brief decline in revenue, but it should be in line with what was received prior to 2014-2015. Also post-2015, county liquor tax revenue will be capped at 1% growth annually.

Senior Millage

Kent County voters first approved the levy of a millage in November, 1998 to provide services to persons age 60 or older in Kent County. This millage expired on December 31, 2005 and a proposal for a .33 mill levy (.25 mill renewal and .08 mill increase) was passed on the August 2006 election ballot by Kent County voters. Kent County contracts with the Area Agency on Aging of Western Michigan to administer the allocations and contracted service delivery process. Senior Millage allocations fund more than 45 different services for almost 17,000 clients. Senior Millage funded services include: targeted in-home services for older adults who are in danger of having to move out of their homes and into institutions; supportive services to lengthen the time frail individuals remain living at home, encourage self-reliance on the part of less frail but mostly home bound older adults, and support the independence of active older adults; services to help older adults and caregivers access services and get answers to their questions; preventive services and new service ideas proposed by providers to address unmet needs; and services to meet emergent needs. The complete list of services can be found on the Area Agency on Aging of Western Michigan's web-site (www.aaawm.org).

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
| Senior Millage Fund | | | | |
| Contractual Services | \$7,404,588 | \$6,773,948 | \$6,661,368 | \$6,691,118 |
| Total Uses | \$7,404,588 | \$6,773,948 | \$6,661,368 | \$6,691,118 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

There are no significant budget issues to report.

Veteran's Trust

With funding provided from the State of Michigan, the Michigan Veterans Trust Fund (MVTF) provides temporary financial assistance to veterans for emergency purposes. The program, through local committees, dispenses grants to veterans and their families to relieve temporary, emergent financial crisis or hardship. Temporary assistance granted by the MVTF for emergencies or hardships is available to honorably discharged veterans who have served 180 days during a wartime, and their families, residing in the state. The MVTF cannot provide assistance for long-term problems or chronic financial difficulties.

Those eligible for the MVTF temporary grant program must apply through the MVTF county committee serving their county of residence. Applications are administered by a trust fund agent, in Kent County applications are available through the Kent County Department of Veterans Affairs. All applications are investigated, deliberated, and decided in confidence. Any applicant may request a personal hearing before the county committee at the meeting when his/her application is considered. If the county committee denies an application, every applicant has the right to appeal that decision to the MVTF Board of Trustees. Eligible veterans and their families can receive assistance once every 2 years.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-----------------------------|------------------|------------------|------------------|-------------------|
| Veteran's Trust Fund | | | | |
| Contractual Services | \$ 72,421 | \$ 62,690 | \$ 75,000 | \$ 105,000 |
| Total Uses | \$ 72,421 | \$ 62,690 | \$ 75,000 | \$ 105,000 |
| Personnel FTE | 0 | 0 | 0 | 0 |



Grand Rapids Home for Veterans

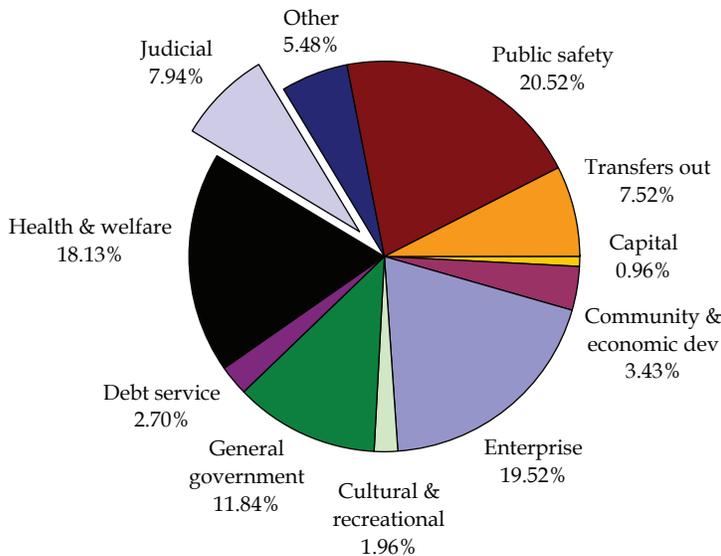
Significant Budget Issues

There are no significant budget issues to report.

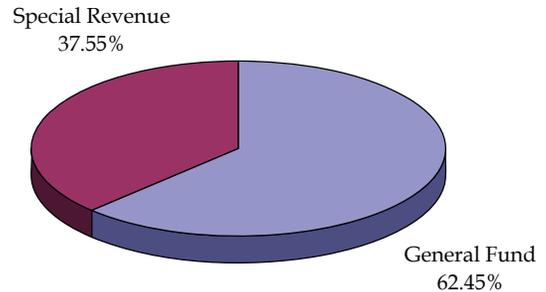
Judicial

Functional Area at a Glance

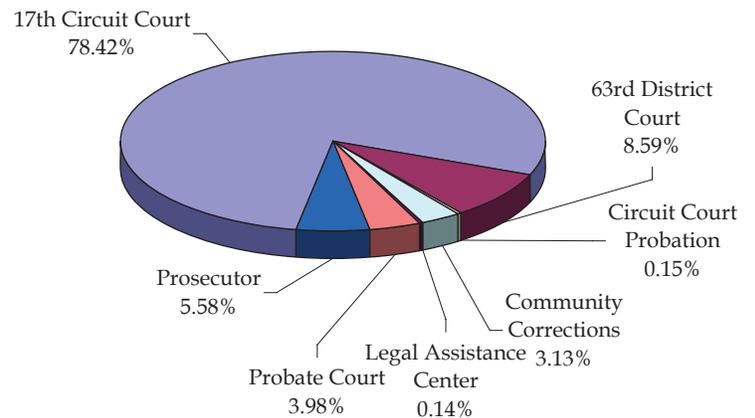
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$32,358,367



2012 Functional Area Uses by Department



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Fund Type

| Fund Type | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------|
| General Fund | | | | | | |
| 17th Circuit Court | \$ 16,552,657 | \$ 16,114,462 | \$ 16,673,780 | \$ 16,251,423 | \$ 16,045,701 | -3.77% |
| 63rd District Court | 2,854,216 | 2,539,251 | 2,696,906 | 2,879,081 | 2,780,533 | 3.10% |
| Circuit Court Probation | 49,289 | 40,265 | 49,632 | 49,632 | 49,632 | 0.00% |
| Legal Assistance Center | 60,000 | 50,000 | 47,500 | 45,000 | 45,000 | -5.26% |
| Probate Court | 1,228,976 | 1,235,900 | 1,288,382 | 1,301,640 | 1,288,382 | 0.00% |
| Total General Fund | 20,745,138 | 19,979,878 | 20,756,200 | 20,526,776 | 20,209,248 | -2.64% |
| Special Revenue Funds | | | | | | |
| 17th Circuit Court | 9,204,209 | 9,249,648 | 9,642,298 | 9,330,486 | 9,330,486 | -3.23% |
| Community Corrections | 895,238 | 907,631 | 1,003,465 | 1,013,643 | 1,013,643 | 1.01% |
| Prosecutor's Office | 1,637,894 | 1,594,058 | 1,765,172 | 1,804,990 | 1,804,990 | 2.26% |
| Total Special Revenue Funds | 11,737,341 | 11,751,337 | 12,410,935 | 12,149,119 | 12,149,119 | -2.11% |
| Total | \$ 32,482,479 | \$ 31,731,215 | \$ 33,167,135 | \$ 32,675,895 | \$ 32,358,367 | -2.44% |

Functional Area History of Uses by Department

| Department | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| 17th Circuit Court | \$ 25,756,866 | \$ 25,364,110 | \$ 26,316,078 | \$ 25,581,909 | \$ 25,376,187 | -3.57% |
| 63rd District Court | 2,854,216 | 2,539,251 | 2,696,906 | 2,879,081 | 2,780,533 | 3.10% |
| Community Corrections | 895,238 | 907,631 | 1,003,465 | 1,013,643 | 1,013,643 | 1.01% |
| Probate Court | 1,228,976 | 1,235,900 | 1,288,382 | 1,301,640 | 1,288,382 | 0.00% |
| Prosecutor's Office | 1,637,894 | 1,594,058 | 1,765,172 | 1,804,990 | 1,804,990 | 2.26% |
| Non-Departmental | | | | | | |
| Circuit Court Probation | 49,289 | 40,265 | 49,632 | 49,632 | 49,632 | 0.00% |
| Legal Assistance Center | 60,000 | 50,000 | 47,500 | 45,000 | 45,000 | -5.26% |
| Total Uses | \$ 32,482,479 | \$ 31,731,215 | \$ 33,167,135 | \$ 32,675,895 | \$ 32,358,367 | -2.44% |

Functional Area History of Uses by Category

| Category | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Personnel | \$ 21,166,831 | \$ 20,896,082 | \$ 21,833,894 | \$ 21,748,086 | \$ 21,534,939 | -1.37% |
| Commodities | 831,182 | 777,365 | 820,616 | 825,927 | 825,669 | 0.62% |
| Contractual Services | 9,009,006 | 8,512,484 | 8,969,030 | 8,744,102 | 8,640,979 | -3.66% |
| Capital Outlay | 135,532 | 97,322 | 68,340 | 103,640 | 102,640 | 50.19% |
| Other Charges | 1,339,928 | 1,447,963 | 1,475,255 | 1,254,140 | 1,254,140 | -14.99% |
| Transfers Out | - | - | - | - | - | NA |
| Total Uses | \$ 32,482,479 | \$ 31,731,215 | \$ 33,167,135 | \$ 32,675,895 | \$ 32,358,367 | -2.44% |
| Personnel FTE | 313.5 | 304.2 | 298.7 | 297.7 | 293.7 | |

Strategic Goals

- Continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency
- Meet the case processing time guidelines as promulgated by the Supreme Court and State Court Administrative Office
- Reduce recidivism
- Maximize collection of fines and fees (and restitution)
- Maximize the effectiveness of existing staff, reduce staff growth, and continue to provide a high level of service and programming
- Provide professional guardianship services to persons in need
- Expand use of jail-diversion strategies to make more effective use of jail space

Short-Term Tactical Objectives (by Department)

- **17th Circuit Court:** continue to increase the use of mediation in domestic relations cases; improve child support collections to equal or exceed best county in state; reduce level of arrears; continue to develop jail diversion strategies for prisoners with mental health issues
- **63rd District Court:** continue to improve case processing by providing timely case load management (due process) of all cases filed with the Court
- **Office of Community Corrections:** continue to promote the use of community-based sanctions as a sentencing option for prison and/or jail bound offenders
- **Probate Court:** explore ways to expand professional guardianship services to meet growing demand
- **Prosecutor's Office:** continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency; maximize effectiveness of existing staff and reduce staff growth

County Core Priorities

To provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all Kent County citizens by:

- Maintaining current and future financial stability
- Increasing influence on legislative changes
- Maintaining and developing facilities, infrastructure, and programs
- Providing timely, professional, and effective customer service
- Providing safe and healthy communities, enhancing the quality of life in Kent County
- Enhancing work environment, encouraging creativity and innovation
- Promoting open intergovernmental and public relations

17th Circuit Court

Kent County Courthouse
 180 Ottawa Avenue NW, Grand Rapids, MI 49503
 Phone: (616) 632-5137 Fax: (616) 632-5130

Mission

The 17th Circuit Court will provide a system of justice that assures equal access to the fair and timely resolution of matters brought before the Court.

Overview

The Circuit Court is the trial court of general jurisdiction in Michigan. It has jurisdiction over all actions except those given by state law to another court.

The Circuit Court has original jurisdiction in all civil cases involving more than \$25,000, in all criminal cases where the offense is a felony or a serious misdemeanor, all domestic relations cases, and all child abuse, neglect, and delinquency cases.

The Circuit Court also hears appeals from lower courts; appeals from local government boards such as zoning appeals; and appeals from some administrative agencies of state government (such as the Driver's License Appeal Division of the Secretary of State).

There are 13 judges currently sitting on the 17th Circuit. The Court's activities are divided into the following functions:

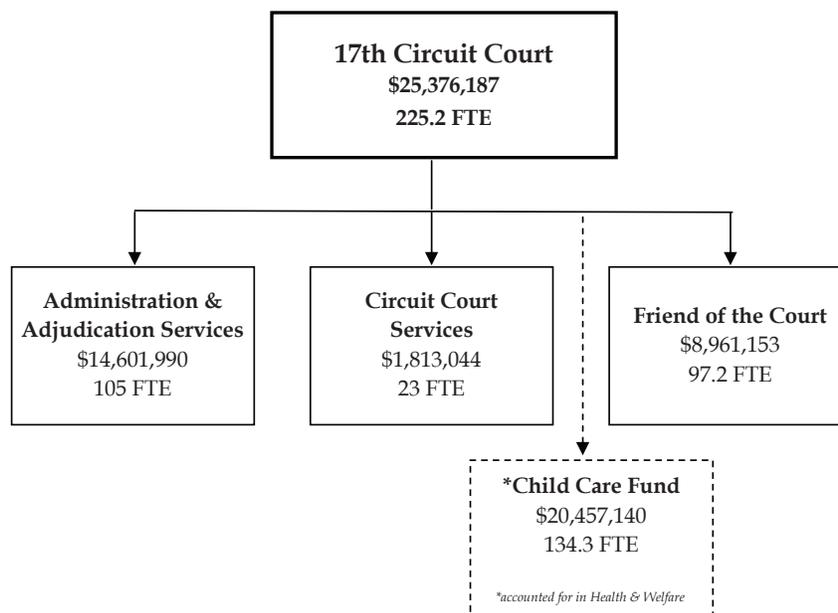
- Administration and Adjudication Support Services
- Circuit Court Services
- Family Division Juvenile Programs (see Child Care on page D-74)
- Friend of the Court

Strategic Goals

Strategic issues for the Department include:

- Continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency;
- Meet the case processing time guidelines as promulgated by the Supreme Court and State Court Administrative Office;
- Reduce recidivism;
- Maximize collection of fines and fees (and restitution); and
- Maximize the effectiveness of existing staff and continue to provide a high level of service and programming.

Organizational Structure



* The 17th Circuit Court includes 359.5 total FTE, 225.2 FTE in the Judicial Functional Area and 134.3 FTE in the Health & Welfare Functional Area for the Child Care Division on page D-74.

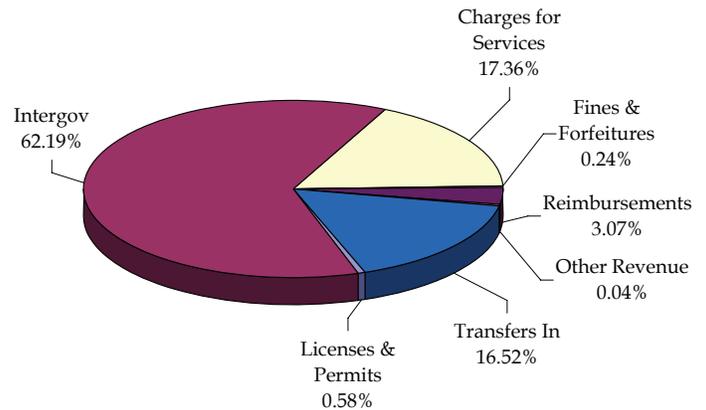
Operational Goals

- To meet statutory and due process requirements for all matters before the court
- To assist the local criminal justice system by providing alternatives to incarceration/Detention
- To provide parties an alternative to settling disputes without unnecessary and costly litigation and court involvement.

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | |
| Intergovernmental | \$ 977,853 | \$ 967,347 | \$ 1,030,924 | \$ 1,030,053 |
| Charges for Services | 1,113,789 | 1,334,685 | 1,316,390 | 1,312,830 |
| Fines & Forfeitures | 70,910 | 20,592 | 63,500 | 28,500 |
| Reimbursements | 333,073 | 340,084 | 407,400 | 370,170 |
| Other Revenue | 4,898 | 5,312 | 5,200 | 5,200 |
| Total General Fund | \$ 2,500,523 | \$ 2,668,020 | \$ 2,823,414 | \$ 2,746,753 |
| Other Funds | | | | |
| Special Revenue Fund | 9,152,382 | 9,307,832 | 9,642,820 | 9,330,486 |
| Total Revenue | \$ 11,652,905 | \$ 11,975,852 | \$ 12,466,234 | \$ 12,077,239 |

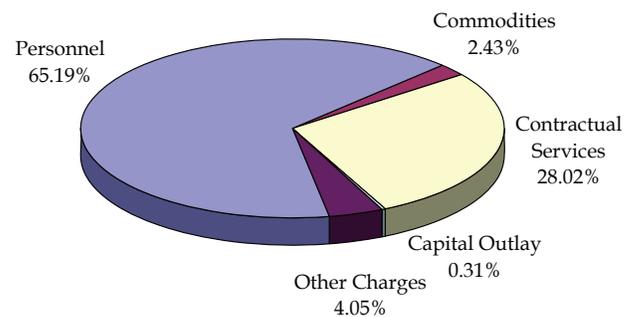
2012 Adopted Revenues \$12,077,239



Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Personnel | \$ 9,088,664 | \$ 8,871,557 | \$ 9,145,881 | \$ 8,923,790 |
| Commodities | 435,471 | 414,064 | 417,800 | 422,800 |
| Contractual Services | 6,933,098 | 6,775,207 | 7,063,499 | 6,651,686 |
| Capital Outlay | 95,424 | 53,634 | 46,600 | 47,425 |
| Total Uses | \$16,552,657 | \$16,114,462 | \$16,673,780 | \$16,045,701 |
| Other Funds | | | | |
| Special Projects | 9,204,209 | 9,249,648 | 9,642,298 | 9,330,486 |
| Total Department | \$25,756,866 | \$25,364,110 | \$26,316,078 | \$25,376,187 |
| Personnel FTE | 240 | 233.2 | 228.2 | 225.2 |

2012 Adopted Uses \$25,376,187



*This does not include the 134.3 FTE and costs for the Child Care Fund. The Child Care Budget is reported under the Health & Welfare Functional Area and located on page D-74.

Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Budget | 2012 Budget |
|----------------------|---------------------|---------------------|---------------------|---------------------|
| Adjudication & Admin | \$15,340,919 | \$14,868,663 | \$15,374,533 | \$14,601,990 |
| Court Services | 1,731,942 | 1,741,319 | 1,801,925 | 1,813,044 |
| Friend of the Court | 8,684,004 | 8,754,129 | 9,139,620 | 8,961,153 |
| Total | \$25,756,866 | \$25,364,110 | \$26,316,078 | \$25,376,187 |

Significant Accomplishments

- The 17th Circuit Court was the first court in the state to post performance measurement data to a dashboard.
- The 17th Circuit Court in March of 2012 will implement the second Special Business Court in Michigan, with the intent of promoting more consistency and efficiency in dealing with the business community.
- Understanding the importance of jurors to the justice system, and respecting their time and commitment, the Court placed wireless Internet access for jurors in the Jury Assembly Room. In addition, the Court created through Pine Rest a Jury Assistance Program to help those jurors affected by a difficult trial to work through the event so they can deal with the facts, begin to process their feelings and learn what normal reactions they can expect to experience.

Administration and Adjudication Support Services

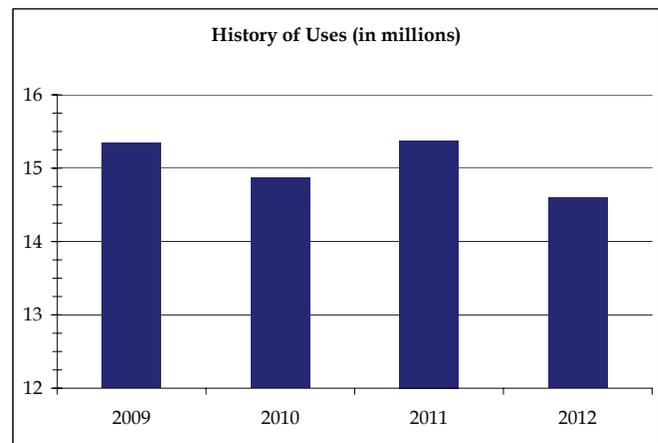
The Administrator for the 17th Circuit Court is responsible for all operations of the Court, including personnel, budget, case management, training, policy and procedure, and other related functions. The Court Administrator reports to the Chief Circuit Court Judge, who is the presiding officer and director of administration for the Court. Since the following history of uses reflects expenditures associated with adjudication and case management, performance measures related to adjudication and case management are reported below.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|--------|--------|--------|---------------|
| Outcome: | | | | |
| Percent of civil cases disposed within 728 days | 94.00% | 94.00% | 91.00% | 100.00% |
| Percent of felony cases disposed within 301 days | 98.00% | 98.00% | 98.00% | 100.00% |
| Percent of divorce cases without children disposed within 364 days | 91.00% | 92.00% | 94.00% | 100.00% |
| Percent of divorce cases with children disposed within 364 days | 71.00% | 76.00% | 82.00% | 100.00% |
| Percent of divorce mediations settled or settled in part | 72.20% | 70.10% | 71.70% | 60.00% |
| Percent of civil mediations settled or settled in part | 53.70% | 49.20% | 54.90% | 60.00% |
| Output: | | | | |
| Number of civil/criminal case filings | 5,824 | 5,138 | 5,040 | 5,200 |
| Efficiency: | | | | |
| Hours of judicial time saved by mediation (estimated) | 280 | 293 | 288 | 280 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Intergovernmental | \$ 977,853 | \$ 967,347 | \$1,030,924 | \$1,030,053 |
| Charges for Services | 1,062,506 | 1,290,103 | 1,264,390 | 1,261,690 |
| Fines & Forfeitures | 70,910 | 20,592 | 63,500 | 28,500 |
| Reimbursements | 289,063 | 278,964 | 282,400 | 282,170 |
| Other Revenue | 4,898 | 5,312 | 5,200 | 5,200 |
| Total General Fund | \$2,405,230 | \$2,562,318 | \$2,646,414 | \$2,607,613 |
| Other Funds | | | | |
| Special Projects | 277,878 | 276,940 | 253,925 | 120,058 |
| Total Revenue | \$2,683,108 | \$2,839,259 | \$2,900,339 | \$2,727,671 |



Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Personnel | \$ 7,644,985 | \$ 7,405,511 | \$ 7,658,156 | \$ 7,442,873 |
| Commodities | 427,161 | 405,827 | 407,400 | 412,400 |
| Contractual Services | 6,893,645 | 6,735,001 | 7,008,974 | 6,579,234 |
| Capital Outlay | 95,424 | 53,634 | 46,600 | 47,425 |
| Total Uses | \$15,061,215 | \$14,599,973 | \$15,121,130 | \$14,481,932 |
| Other Funds | | | | |
| Special Projects | 279,704 | 268,689 | 253,403 | 120,058 |
| Total Department | \$15,340,919 | \$14,868,663 | \$15,374,533 | \$14,601,990 |
| Personnel FTE | 112 | 110.7 | 107.7 | 105 |

Significant Budget Issues

Eliminations for 2012 include one vacant Circuit Court Clerk position; one vacant Court Recorder position; a decrease of 0.50 FTE due to a Juvenile Probation Officer moving to the Circuit Court Child Care budget (in Health & Welfare) from the 17th Circuit Court budget; an increase of 0.80 FTE due to a portion of a Mediator/Evaluator hours moving from the Friend of the Court; and two half-time Retiree Rehires not budgeted in 2012 for a net decrease of 2.7 FTEs.

Circuit Court Services

The mission of the Court Services Department is to plan, develop, and administer quality, cost-effective alternatives to incarceration for appropriate defendants/offenders which enhance the effectiveness of the local criminal justice system, and thereby serve the needs of the Courts and the residents of Kent County. Court Services offers a variety of services and programs designed to provide alternatives to incarceration. They include pretrial supervised release, community service and work crew, electronic tether, pretrial screening and investigation, and data collection and analysis. Funding for certain services is provided for by the State Community Corrections Grant.

Selected Performance Measures

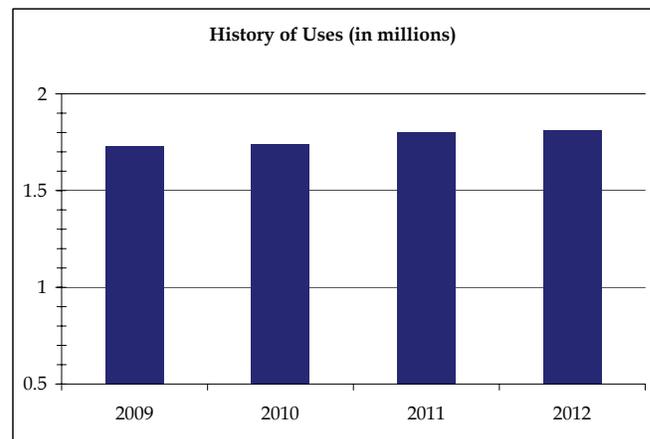
| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|-------------|-------------|-------------|---------------|
| Outcome: | | | | |
| Percent of juvenile offenders successfully completing community service | 99.00% | 98.00% | 97.00% | 90.00% |
| Percent of successful work crew completions | 79.00% | 82.00% | 77.00% | 80.00% |
| Percent of Maximum Supervision (tether) cases that are successfully closed | 95.00% | 89.00% | 93.00% | 80.00% |
| Percent of juvenile successfully completing electronic monitoring | 65.00% | 63.00% | 54.00% | 60.00% |
| Output: | | | | |
| Number of juveniles placed on community service | 391 | 378 | 374 | 400 |
| Number of defendants placed on Work Crew | 624 | 625 | 958 | 700 |
| Efficiency: | | | | |
| Dollar value of community service hours performed | \$1,501,504 | \$1,501,504 | \$1,279,179 | \$1,000,000 |
| Dollar value of work crew hours performed | \$256,743 | \$244,160 | \$427,468 | \$200,000 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|-------------------|-------------------|-------------------|-------------------|
| Special Projects Fund | | | | |
| Intergovernmental | \$ 240,500 | \$ 226,830 | \$ 249,275 | \$ 249,275 |
| Total Spec Proj Fd | \$ 240,500 | \$ 226,830 | \$ 249,275 | \$ 249,275 |
| Other Funds | | | | |
| General Fund | 95,293 | 105,702 | 177,000 | 139,140 |
| Total Revenue | \$ 335,793 | \$ 332,532 | \$ 426,275 | \$ 388,415 |

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$1,443,679 | \$1,466,046 | \$1,487,725 | \$1,480,917 |
| Commodities | 8,310 | 8,237 | 10,400 | 10,400 |
| Contractual Services | 39,453 | 40,206 | 54,525 | 72,452 |
| Capital Outlay | - | - | - | - |
| Total Uses | \$1,491,442 | \$1,514,489 | \$1,552,650 | \$1,563,769 |
| Other Funds | | | | |
| Special Projects | 240,500 | 226,830 | 249,275 | 249,275 |
| Total Department | \$1,731,942 | \$1,741,319 | \$1,801,925 | \$1,813,044 |
| Personnel FTE | 24 | 22.5 | 22.5 | 23 |



Significant Budget Issues

A Community Service/Work Crew Supervisor was part-time in 2011 and full-time in 2012.

Significant Accomplishments

- The Circuit Court orders defendants to Community Service. In 2011, 102,129 community service hours were successfully completed. In a similar way, the Court orders defendants to complete Work Crew, which are completed at places such as the Recycling Center. In 2011, 53,830 work crew hours were successfully completed.

Friend of the Court

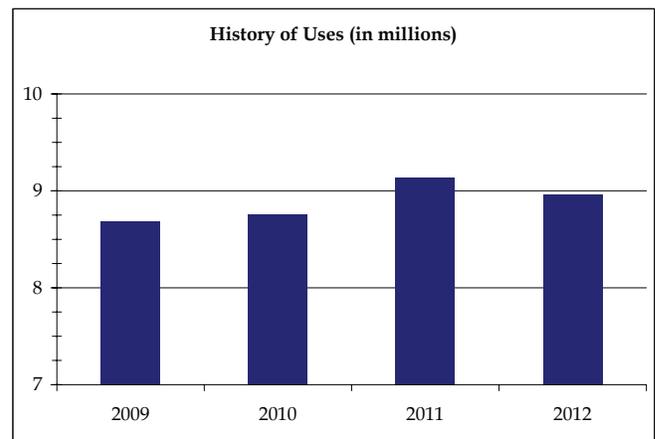
Established by State Law, the Friend of the Court is responsible for enforcing the domestic relations orders of the Family Division of the Circuit Court and delivering services related to divorce, paternity, family support and interstate actions. Services provided include child support, health care, parenting time and bench warrant enforcement. A specialized Alternative Dispute Resolution Unit, provides Parenting Arrangement evaluations for the Court that gathers information regarding the best interests of children as defined in the 12 factors of the Michigan Child Custody Act. In addition, the ADR Unit also provides a number of very important services related to statutory and court rule mediation. Alternative Dispute Resolution is also involved in conciliation, troubleshooting and parenting awareness classes, income review, auditing, custody investigations, and job-finding services.

Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|-------|--------|--------|---------------|
| Outcome: | | | | |
| Percent of new court orders entered into the State Child Support Computer System within 5 business days. | NA | 89.70% | 99.90% | 100.00% |
| Percent of parenting time complaints resolved without a contempt hearing. | NA | 63.00% | 67.00% | 80.00% |
| Output: | | | | |
| Number of court orders received / entered into the FOC computer system. | NA | 21,052 | 22,240 | 22,069 |
| Number of parenting time complaints received. | 2,552 | 2,437 | 2,190 | 2,000 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| Friend of the Court Fund | | | | |
| Intergovernmental | \$5,819,758 | \$5,875,586 | \$6,218,002 | \$6,008,928 |
| Charges for Services | 655,824 | 652,148 | 790,400 | 784,000 |
| Fines & Forfeitures | 900 | 2,193 | 1,000 | 1,000 |
| Transfer from GF | 2,145,122 | 2,238,990 | 2,066,668 | 1,989,837 |
| Total FOC | \$8,621,603 | \$8,768,916 | \$9,076,070 | \$8,783,765 |
| Other Funds | | | | |
| Special Projects | 12,401 | 35,145 | 63,550 | 177,388 |
| Total Revenue | \$8,634,004 | \$8,804,062 | \$9,139,620 | \$8,961,153 |



Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| Friend of the Court Fund | | | | |
| Personnel | \$7,088,748 | \$7,082,764 | \$7,438,633 | \$7,311,063 |
| Commodities | 190,913 | 161,795 | 195,720 | 189,200 |
| Contractual Services | 257,564 | 231,374 | 248,020 | 227,388 |
| Capital Outlay | 30,906 | 30,353 | 5,320 | 30,830 |
| Other Expenses | 1,103,473 | 1,212,697 | 1,188,377 | 1,025,284 |
| Total Uses | \$8,671,604 | \$8,718,983 | \$9,076,070 | \$8,783,765 |
| Other Funds | | | | |
| Special Projects | 12,401 | 35,145 | 63,550 | 177,388 |
| Total Department | \$8,684,004 | \$8,754,129 | \$9,139,620 | \$8,961,153 |
| Personnel FTE | 104 | 100 | 98 | 97.2 |

Significant Budget Issues

The FTE decrease of 0.80 is due to a portion of a Mediator/Evaluator hours moving to the Family Counseling area of the Adjudication and Administration function of the 17th Circuit Court.

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63rd District Court

1950 East Beltline Avenue, Grand Rapids, MI 49525
Phone: (616) 632-7770 Fax: (616) 363-6124

Mission

The 63rd District Court is committed to providing the public fair and efficient judicial service in an atmosphere of respect to all persons, and in cooperation with the funding unit.

Overview

The District Court is a trial court of limited jurisdiction. The 63rd District Court is one of seven District Courts in the County.

The District Court has exclusive jurisdiction over the following types of cases:

Civil suits involving \$25,000 or less; Adult criminal misdemeanor offenses punishable by up to one year’s imprisonment; Civil infractions; Traffic violations; Landlord/tenant disputes; Small claims (involving \$3,000 or less); and Land contract forfeitures

In addition to its jurisdiction to try adult criminal offenses punishable by up to one year’s imprisonment, the district court is the court in which all other adult criminal proceedings begin, regardless of the nature of the offense. In carrying out this function, the district court has jurisdiction to issue arrest and search warrants, set bail and accept bond, conduct misdemeanor and felony arraignments, preside over preliminary examinations for felony and misdemeanor offenses outside its trial jurisdiction, and perform civil marriage ceremonies.

Strategic Goals

Strategic issues for the Department include:

- Continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency;
- Maximize collection of fines and fees (and restitution); and
- Maximize effectiveness of existing staff.

Operational Goals

- Administer the law in compliance with state statutes and court rules
- Provide timely case flow management (due process) of all cases filed with the court
- Provide a quality of services to all litigants and defendants

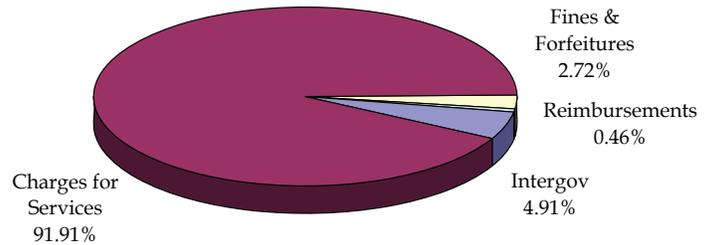
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------|---------|---------|---------------|
| Outcome: | | | | |
| Percent of misdemeanor cases adjudicated within 6 months of arraignment | 98.00% | 96.00% | 98.70% | 100.00% |
| Percent of preliminary exams scheduled within 14 days of arraignment | 100.00% | 100.00% | 100.00% | 100.00% |
| Percentage of abstractable civil infractions violations submitted to the Secretary of State within 10 days of adjudication | 100.00% | 99.00% | 99.48% | 100.00% |
| Percentage of civil infraction & parking violations adjudicated within 84 days of filing | 100.00% | 98.90% | 98.92% | 100.00% |
| Percent of general civil cases adjudicated within 455 days of filing | NA | 99.79% | 99.76% | 100.00% |
| Percent of landlord tenant / summary proceedings adjudicated within 154 days of filing | NA | 98.90% | 100.00% | 100.00% |
| Percentage of all probationers discharged successfully (vs. unsuccessful) | 57.00% | 72.19% | 68.67% | 70.00% |
| Efficiency: | | | | |
| Total criminal cases processed (pending, new, & reopened) per Clerk (6 FTE) | 1,819 | 1,800 | 1,662 | 1,700 |
| Total civil cases processed (pending, new, & reopened) per Civil Clerk (6 FTE) | 2,277 | 2,236 | 2,091 | 2,000 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Intergovernmental | \$ 149,904 | \$ 148,962 | \$ 150,500 | \$ 150,500 |
| Charges for Services | 2,349,813 | 2,577,334 | 2,890,610 | 2,817,790 |
| Fines & Forfeitures | 100,409 | 84,394 | 102,000 | 83,360 |
| Reimbursements | 12,350 | 11,663 | 14,000 | 14,000 |
| Other Revenue | (2) | 141 | 100 | 100 |
| Total Revenue | \$2,612,474 | \$2,822,493 | \$3,157,210 | \$3,065,750 |

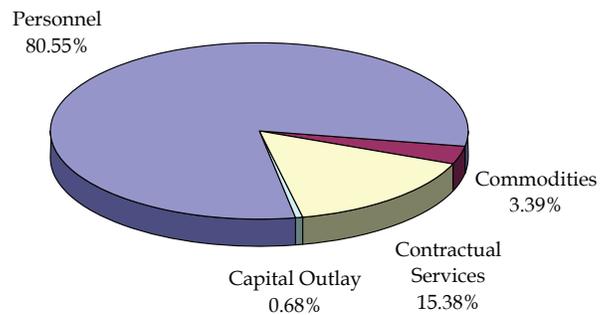
**2012 Adopted Revenues
\$3,065,750**



Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$2,266,748 | \$2,208,374 | \$2,277,924 | \$2,239,714 |
| Commodities | 108,469 | 102,315 | 96,650 | 94,200 |
| Contractual Services | 481,760 | 220,758 | 310,932 | 427,719 |
| Capital Outlay | (2,761) | 7,803 | 11,400 | 18,900 |
| Total Uses | \$2,854,216 | \$2,539,251 | \$2,696,906 | \$2,780,533 |
| Personnel FTE | 37 | 34.5 | 34.5 | 32.5 |

**2012 Adopted Uses
\$2,780,533**



Significant Budget Issues

For 2012 budget, security expenses were increased to reimbursement the Sheriff Department for 100% of expenses of the Courtroom Security Officer position, and personnel costs were decreased by the elimination of the following full-time positions [2 FTEs]: Clerk I and Court Clk/Legal Clk (Court).

Significant Accomplishments

- Continuation of the process of consolidating 2 divisions of the court into one location and developing one set of operational policies and procedures.
- Modifying our collection practices and procedures to comply with court rules and statutes, and further develop the use of our automated COLLECT software to increase our effectiveness and efficiency in collection of fines and costs.
- Implementation of recommendations of Supreme Court Internal Audit completed at end of 2011.



Consolidated 63rd District Court facility

Office of Community Corrections

Kent County Courthouse
 180 Ottawa Avenue NW, Suite 2100, Grand Rapids, MI 49503
 Phone: (616) 632-5370 Fax: (616) 632-5369

Mission

To support and expand the use of community sanctions in order to provide rehabilitation opportunities for Kent County offenders. Promote the efficient use of jail/prison beds while protecting public safety. Examine the causes of repeated criminal behavior while facilitating collaboration among stakeholders and service providers.

Overview

The Office of Community Corrections (OCC) seeks to limit state prison commitments for County offenders and prevent local correctional facility overcrowding with probation and intermediate sentencing alternatives; with information and data analysis; and with public education. The Office also coordinates and facilitates the collaborative process to develop the Jail Bed Allocation Agreement. Planning and policy-making is directed by the Kent County Community Corrections Advisory Board (CCAB).

Probation residential centers (PRCs) provide intensive community supervision for high-risk felons. These include the Alternative Directions PRC, the Pathfinder Resources John F. Jellema Treatment Center, and Project Rehab.

Intermediate sentencing alternatives offered through Community Corrections include community service, employment and training, intensive supervision, mental health counseling, pretrial supervision, substance abuse treatment, a variety of 24-hour structured non-core services, and jail-based programming.

The Office is a grant agency funded primarily by the State of Michigan. Funding depends upon state approval of the budget, following a lengthy application process.

Selected Goals

- To promote the use of community-based sanctions as a sentencing option for prison and/or jail-bound offenders

Strategic Goals

Strategic issues for the Department include:

- Expand use of jail diversion strategies to make more effective use of jail space.

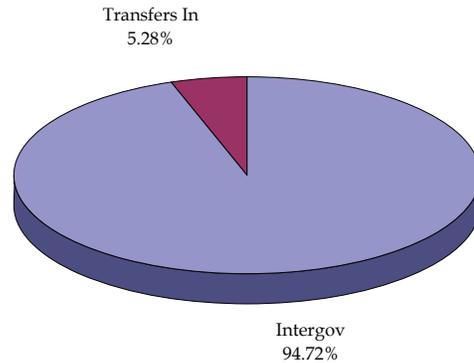
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------|---------|---------|---------------|
| Outcome: | | | | |
| Percent of program enrollment | 122.10% | 125.20% | 122.90% | 95.00% |
| Percent of capacity use of probation residential centers | 95.00% | 101.00% | 94.20% | 95.00% |
| Percent of successful terminations | 75.90% | 73.10% | 72.00% | 70.00% |
| Output: | | | | |
| Number of eligible OCC offenders served. | 2,777 | 2,789 | 2,889 | 2,500 |
| Efficiency: | | | | |
| Percent of the Michigan Department of Community Corrections grant expended | 97.00% | 99.50% | 96.20% | 100.00% |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|-------------------|-------------------|--------------------|--------------------|
| Special Projects Fund | | | | |
| Intergovernmental | \$ 867,059 | \$ 879,585 | \$ 946,240 | \$ 960,166 |
| Reimbursements | 7,884 | 2,628 | - | - |
| Transfer from GF | 20,296 | 25,418 | 57,225 | 53,477 |
| Total Revenue | \$ 895,238 | \$ 907,631 | \$1,003,465 | \$1,013,643 |

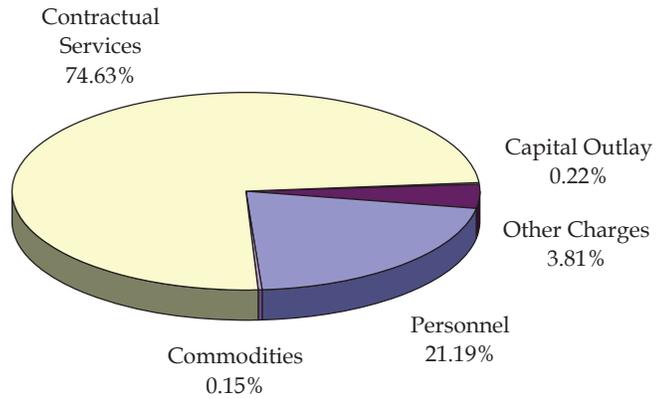
**2012 Adopted Revenues
\$1,013,643**



Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|-------------------|-------------------|--------------------|--------------------|
| Special Projects Fund | | | | |
| Personnel | \$ 202,187 | \$ 205,752 | \$ 214,701 | \$ 214,780 |
| Commodities | 62 | 1,231 | 1,500 | 1,500 |
| Contractual Services | 686,691 | 689,734 | 742,254 | 756,456 |
| Capital Outlay | - | - | - | 2,265 |
| Other Expenses | 6,299 | 10,914 | 45,010 | 38,642 |
| Total Uses | \$ 895,238 | \$ 907,631 | \$1,003,465 | \$1,013,643 |
| Personnel FTE | 2.5 | 2.5 | 2.5 | 2.5 |

**2012 Adopted Uses
\$1,013,643**



Significant Budget Issues

There are no significant budget issues to report.

Probate Court

Kent County Courthouse
180 Ottawa Avenue NW, Suite 2500, Grand Rapids, MI 49503
Phone (616) 632-5440 Fax: (616) 632-5430

Mission

The mission of the Kent County Probate Court is to provide an accessible and person-centered venue to secure the peaceful and sound resolution of matters, where every individual is treated with dignity and respect.

Overview

The Probate Court is a Court of statutory jurisdiction, primarily concerned with the protection of incapacitated or mentally ill individuals and their assets, and the proper transfer of assets at death.

Protection of Incapacitated Individuals. Proceedings concerning the protection of incapacitated individuals involve guardianships for legally incapacitated adults, guardianships for minors, and guardianships for developmentally disabled individuals. If a guardian is appointed, the Court must monitor the guardianship, making sure that the required annual reports are filed by the guardian, and conducting periodic in-person reviews. The Court also conducts hearings regarding disputes that arise concerning the guardianship and petitions to terminate or modify the guardianship.

Hospitalization of Mentally Ill Individuals. The Probate Court hears petitions for hospitalization for mentally ill individuals alleged to be a significant danger to themselves or others. Hearings take place on a tight time frame: they are normally required to be held within seven days of involuntary hospitalization. The Court is also required to oversee and hold hearings for commitment of individuals from other counties hospitalized in Kent County, and other counties do the same when Kent County residents are hospitalized in other counties. In 2011, other counties oversaw 178 cases involving Kent residents hospitalized elsewhere, and conducted 142 hearings on those cases. In 2011, Kent County Probate Court oversaw 839 cases involving residents of other counties hospitalized here, and conducted 247 hearings on those cases, none of which is reflected in Kent's SCAO case load statistics.

Protection of Property of Incapacitated Individuals. Proceedings concerning the protection of the property of incapacitated individuals involve conservatorships for legally incapacitated adults, conservatorships for minors, and guardianships of the estate for developmentally disabled individuals. If a conservator or guardian of the estate is appointed, the Court must then monitor the continuing proceedings to ensure that the required annual accounts are filed and approved, showing that the assets are being held and used for the benefit of the ward. The Court also conducts hearings regarding disputes that arise concerning conservatorships and petitions to terminate or modify conservatorships.

Transfer of Assets. The Probate Court has exclusive jurisdiction over proceedings regarding the transfer of assets at death or transfers where property is held in trust. Transfers at death may involve probate of a Will (testate estates) or estates where there is no Will (intestate estates), the only difference being whether the Will or state statute governs distribution of the property. The Court may also be called upon to interpret Wills or Trusts in the event of uncertainty or conflict over the document's meaning. Proceedings in decedent's estates may be unsupervised or supervised by the Court, depending on the situation.

Other Matters. The Probate Court also hears a variety of other types of matters. These include Petitions for Protective Orders, which are typically one-time requests for the Court to allow or approve some action, such as approval of a settlement or a Trust. They also include various civil actions, where one party is suing another party. These cases are just like cases in circuit or district court, except usually a trust, estate, or fiduciary is one of the parties, so the proceedings have some relation to the regular business of the Probate Court. Finally, the Probate Court holds Wills for safekeeping and hears proceedings for change of name, drain appeals and secret marriages.

Strategic Goals

Strategic issues for the Department include:

- Facilitate the provision of professional guardianship services to persons in need;
- Maximize collection of fines and fees (and restitution); and
- Maximize effectiveness of existing staff and reduce staff growth.

Case load. In 2009, there was a more than 7% increase in new cases over 2008 (including MI cases done for other counties), and 2010 showed a nearly 4% increase over 2009. This trend continued in 2011, with another more than 5% increase over 2010. In fact, from 2008 to 2011, there has been nearly a 17% increase in the Probate Court's caseload, with the most significant increases being in adult guardianships (more than 35%) and conservatorships, mental commitments, and mental commitments for other counties (more than 20% in each). These increases may in part be attributable to the expansion of medical and psychiatric hospitals in the County.

Operational Goals

- To ensure the compliance of Court-appointed fiduciaries with statutes and courts rules, in order to safeguard protected individuals and their property
- To efficiently process and adjudicate all matters before the Court
- To provide excellent customer service to all those with business before the Court

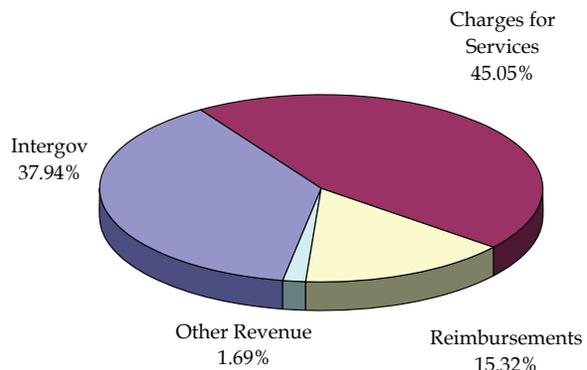
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|--------|--------|--------|---------------|
| Outcome: | | | | |
| Percentage of contested estate, trust, and conservatorship proceedings adjudicated within 365 days. | 99.00% | 99.00% | 97.00% | 100.00% |
| Percentage of mental commitment petitions disposed within 14 days. | 99.70% | 99.80% | 99.94% | 100.00% |
| Percentage of all contested civil matters disposed within 728 days | 88.90% | 80.00% | 71.00% | 80.00% |
| Output: | | | | |
| Number of fiduciaries noncompliant for more than 182 days, without cure of default or appointment of successor or special fiduciary. | 0 | 5 | 1 | 0 |
| Number of new mental commitment petitions processed, including supplemental petitions and petitions for second or continuing order. | 1,706 | 1,801 | 1,893 | 1,900 |
| Number of Court-appointed guardians and conservators monitored by probate staff. | 6,083 | 6,105 | 6,330 | 6,400 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | |
| Intergovernmental | \$ 197,681 | \$ 148,459 | \$ 175,000 | \$ 148,569 |
| Charges for Services | 166,908 | 174,810 | 167,400 | 176,400 |
| Reimbursements | 9,336 | 47,464 | 9,500 | 60,000 |
| Other Revenue | 5,715 | 6,763 | 5,800 | 6,600 |
| Total Revenue | \$ 379,640 | \$ 377,497 | \$ 357,700 | \$ 391,569 |

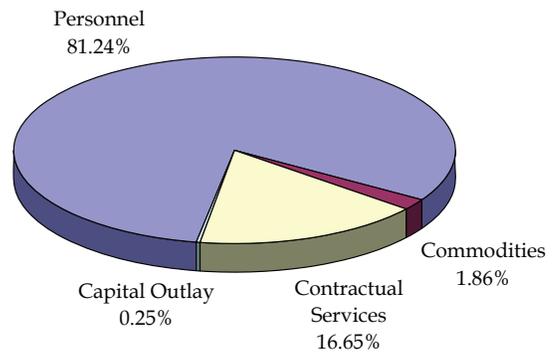
**2012 Adopted Revenues
\$391,569**



Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Personnel | \$ 992,759 | \$1,007,471 | \$1,042,318 | \$1,046,644 |
| Commodities | 21,036 | 26,846 | 24,200 | 23,942 |
| Contractual Services | 207,354 | 199,172 | 216,844 | 214,576 |
| Capital Outlay | 7,827 | 2,411 | 5,020 | 3,220 |
| Total Uses | \$1,228,976 | \$1,235,900 | \$1,288,382 | \$1,288,382 |
| Personnel FTE | 15 | 15 | 14.5 | 14.5 |

**2012 Adopted Uses
\$1,288,382**



Significant Budget Issues

Our growing caseload, particularly in the areas of mental commitments and adult guardianships, not only strains the capacity of the existing staff, but has a direct impact on expenditures for legal expenses. From 2008 to 2011, we have had a 35% increase in adult guardianships and a 21% increase in mental commitment cases. Given the aging of our population (the percentage of county residents aged 65 years and older grew from 10.4% of total population in 2000 to 11.1% in 2010) and the explosion of medical facilities (adult guardianship cases may be filed where the ward resides or where the ward is located, and so may be filed here if the ward is hospitalized here) and psychiatric facilities (the number of inpatient adult psychiatric beds has increased from 178 in 2007 to 216 at present - a 21% increase - with an additional 24 beds either under construction or proposed), these caseload trends are expected to continue. The Court is required to appoint attorneys and guardians ad litem in adult guardianship and mental commitment cases. Increases in these types of cases directly increase the Court’s expenses for legal services.

Significant Accomplishments

- In 2010, the Probate Court began a partnership with Grand Valley State University to provide graduate social work students with the opportunity to perform year-long internships with the Court. The interns assist the Court with home studies, providing important input in minor guardianship cases, and gain valuable practical experience.
- In late 2010, the Probate Court implemented a more automated process to bill and collect reimbursement of legal fees from the respondents in mental commitment cases and adult guardianship cases. Previously, the Court had typically recouped 5% or less of legal expenditures. Even though many of our respondents are indigent and therefore exempt from having to reimburse the Court, through our new process we recouped \$47,464 in 2010, representing 27% of our expenditures, and \$66,330 in 2011, representing 35% of our expenditures.

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Prosecutor's Office - Family Law Division

82 Ionia Avenue NW, Suite 425, Grand Rapids, MI 49503-2266

Phone: (616) 632-6645 Fax: (616) 632-6646

Mission

To establish paternity and set levels of child support regardless of income levels, by virtue of both statutory requirements and contractual obligations.

Overview

The Prosecuting Attorney is responsible for representing custodial parties in support and paternity proceedings. The Prosecuting Attorney is an elected official with a four-year term, chosen at the time of the Presidential election, on the partisan ballot.

The office is divided into the following divisions: Criminal, Appellate, Juvenile, and Family Law. The Criminal, Appellate and Juvenile divisions are under the General Government functional area (see pages D-66 through D-68). Each division has specific attorneys assigned to it and is structured to serve that division's unique needs. Additionally, the Victim/Witness Unit of the office performs services for victims of crime as mandated under the Crime Victims Rights Act.

Strategic Goals

Strategic issues for the Department include:

- Continue to improve case processing; align staff and judicial and prosecutorial resources to focus on expediency; and
- Maximize effectiveness of existing staff and reduce staff growth.

Goals

- Establish paternity and enter child support orders
- Comply with Federal regulations for expedited case processing

Selected Performance Measures

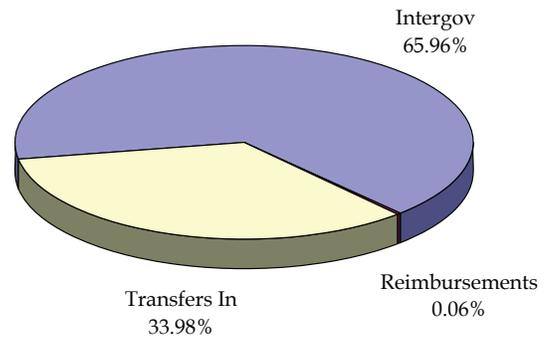
| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|--------|--------|--------|---------------|
| Outcomes: | | | | |
| Judgments Entered (Paternity & Support Orders) | 3,131 | 3,103 | 2,827 | 3,020 |
| Percent of cases with support Orders entered (Federal goal is 80%) | 83.00% | 83.00% | 80.00% | 82.00% |
| Percent of cases completed within 6 months from service date (Federal goal is 75%) | 98.00% | 98.00% | 95.00% | 97.00% |
| Percent of cases completed within 12 months from service date (Federal goal is 90%) | 98.00% | 98.00% | 95.00% | 97.00% |
| Cases with Paternity established (Federal goal is 90%) | 96.00% | 96.00% | 97.00% | 96.00% |
| Outputs: | | | | |
| Cases Opened (NOTE: Case inventory declined as referrals from the Office of Child Support were down) | 3,535 | 3,413 | 2,742 | 3,230 |
| Number of paternity and child support cases pending | 2,332 | 1,954 | 1,352 | 1,879 |
| Number of paternity and child support cases closed | 3,705 | 3,791 | 3,344 | 3,613 |
| Efficiency: | | | | |
| Cost per positive disposition | \$523 | \$514 | \$611 | \$549 |



Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| Special Projects Fund | | | | |
| Intergovernmental | \$1,085,744 | \$1,051,858 | \$1,164,354 | \$1,190,633 |
| Reimbursements | 577 | 344 | 1,000 | 1,000 |
| Transfer from GF | 551,573 | 541,855 | 599,818 | 613,357 |
| Total Revenue | \$1,637,894 | \$1,594,058 | \$1,765,172 | \$1,804,990 |

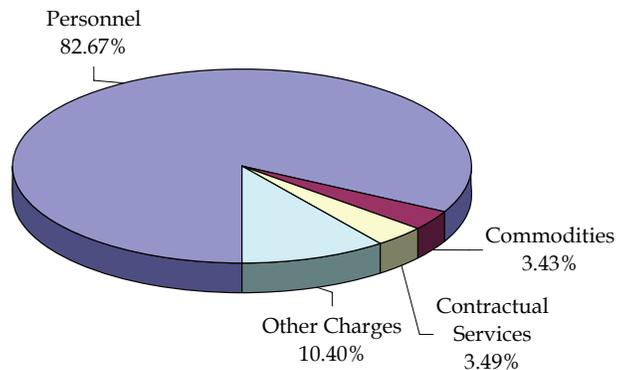
**2012 Adopted Revenues
\$1,804,990**



Department Expenditures by Category

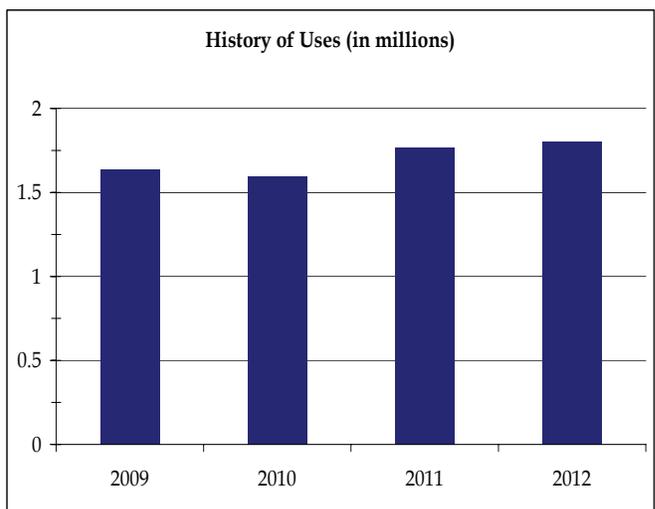
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| Special Projects Fund | | | | |
| Personnel | \$1,295,403 | \$1,258,434 | \$1,408,773 | \$1,492,117 |
| Commodities | 51,021 | 53,707 | 58,000 | 62,000 |
| Contractual Services | 62,216 | 54,666 | 66,000 | 63,077 |
| Capital Outlay | - | 3,121 | - | - |
| Other Expenses | 229,254 | 224,130 | 232,399 | 187,796 |
| Total Uses | \$1,637,894 | \$1,594,058 | \$1,765,172 | \$1,804,990 |
| Personnel FTE | 19 | 19 | 19 | 19 |

**2012 Adopted Uses
\$1,804,990**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------|--------------------|--------------------|--------------------|--------------------|
| Cooperative Reimb | 1,637,894 | 1,594,058 | 1,765,172 | 1,804,990 |
| Total | \$1,637,894 | \$1,594,058 | \$1,765,172 | \$1,804,990 |



Significant Budget Issues

There are no significant budget issues to report.

Significant Accomplishments

- The Kent County Prosecutor's Office - Family Law Division performs consistently at or above the federal regulations for establishing paternity, setting child support, and expedited case processing. Percent of support orders entered was 80% (requirement is 80%); percent of cases with paternity established was 97% (requirement is 90%); percent of cases completed within 6 months from service date was 95% (requirement is 75%); percent of cases completed within 12 months from service date was 95% (requirement is 90%).

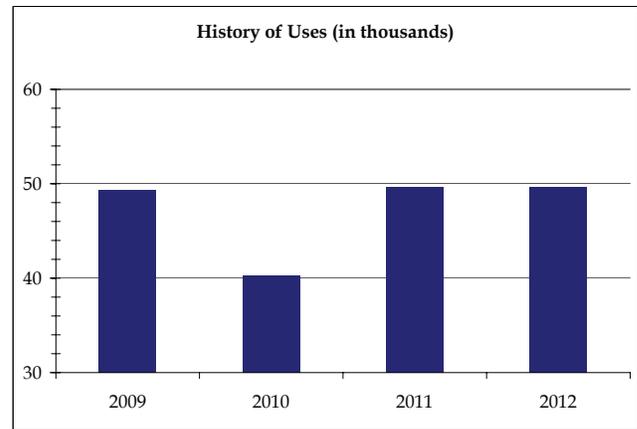
Non-Departmental

Circuit Court Probation

Kent County Circuit Court Probation is managed and partially funded by the Michigan Department of Corrections. The Probation Office services the Kent County Circuit Court and the 3,200 felony probationers that reside in Kent County. The office completes approximately 3,300 presentence investigations for the Circuit Court annually, with 42 Probation Agents, 11 clerical staff, five supervisors and one Manager assigned to the office. In addition to presentence investigations, Probation Agents are responsible for supervising probationers in the community, making programming referrals for offenders, informing the Court of the offender’s progress, completing violation reports and ensuring that the probationer meets financial obligations to the Court and to victim(s). The revenue obtained from these collections are reported by the Circuit Court Administrators Office, although Probation Officers are integral in ensuring that the payments are made. Until 1979, Circuit Court Probation was entirely funded by the County. However, that year the State assumed, by statute, responsibility for the staffing of the office. The County retained responsibility for the rents, contractual services, supplies and other materials needed to service the County Probation Office.

Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|------------------|------------------|------------------|------------------|
| General Fund | | | | |
| Commodities | \$ 23,379 | \$ 17,406 | \$ 26,746 | \$ 26,389 |
| Contractual Services | 21,774 | 22,859 | 22,886 | 23,243 |
| Capital Outlay | 4,136 | - | - | - |
| Total Uses | \$ 49,289 | \$ 40,265 | \$ 49,632 | \$ 49,632 |
| Personnel FTE | 0 | 0 | 0 | 0 |



Significant Budget Issues

There are no significant budget issues to report.

Legal Assistance Center

The Legal Assistance Center provides a centralized location where citizens of Kent County can receive assistance in educating themselves on civil matters, find information on area nonprofit agencies and other community agencies, lawyer referral services as well as materials designed to allow the pro se litigants to file their own civil cases.

The Legal Assistance Center has been located in the County Courthouse since the Courthouse opened in 2001. Since 2006, the County has contracted with the Center to provide assistance to the public on civil legal matters such as family law, landlord and tenant and consumer issues.

Department Expenditures by Category

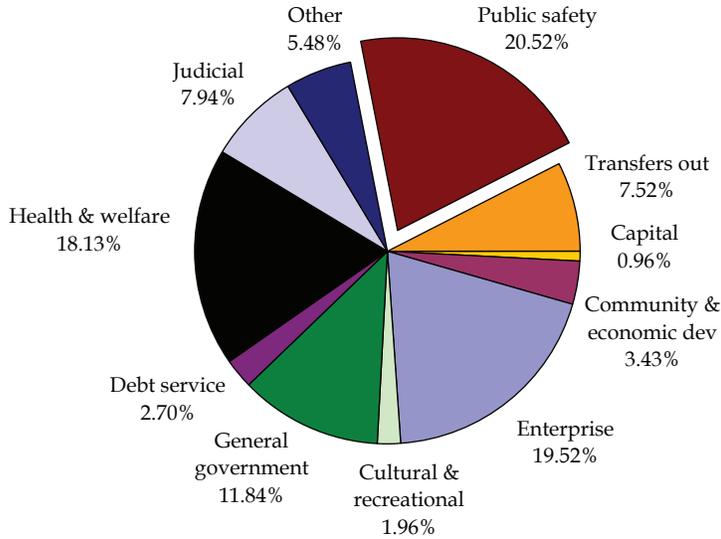
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|------------------|------------------|------------------|------------------|
| General Fund | | | | |
| Contractual Services | \$ 60,000 | \$ 50,000 | \$ 47,500 | \$ 45,000 |
| Total Uses | \$ 60,000 | \$ 50,000 | \$ 47,500 | \$ 45,000 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

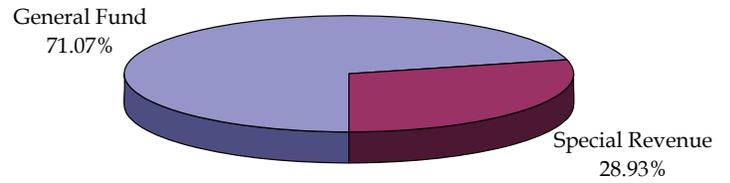
There are no significant budget issues to report.

Public Safety Functional Area at a Glance

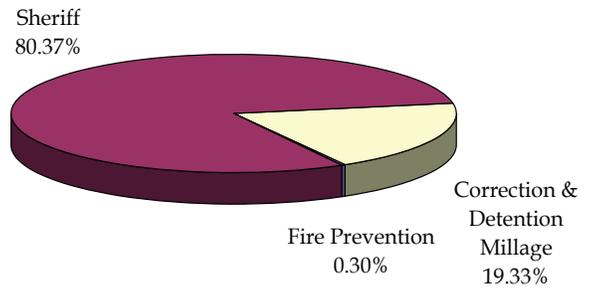
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$83,566,507



2012 Functional Area Uses by Department



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Fund Type

| Fund Type | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| General Fund | | | | | | |
| Sheriff | \$ 57,776,032 | \$ 59,632,264 | \$ 61,035,790 | \$ 60,387,188 | \$ 59,387,609 | -2.70% |
| Total General Fund | 57,776,032 | 59,632,264 | 61,035,790 | 60,387,188 | 59,387,609 | -2.70% |
| Special Revenue Funds | | | | | | |
| Sheriff | 7,187,210 | 9,658,365 | 7,488,405 | 7,773,976 | 7,773,976 | 3.81% |
| Correction and Detention | 18,988,215 | 15,439,820 | 15,691,618 | 16,151,618 | 16,151,618 | 2.93% |
| Fire Commission | 556,718 | 593,148 | 572,241 | 573,304 | 253,304 | -55.73% |
| Total Special Revenue Funds | 26,732,144 | 25,691,334 | 23,752,264 | 24,498,898 | 24,178,898 | 1.80% |
| Total | \$ 84,508,176 | \$ 85,323,598 | \$ 84,788,054 | \$ 84,886,086 | \$ 83,566,507 | -1.44% |

Functional Area History of Uses by Department

| Department | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Sheriff | \$ 64,963,242 | \$ 69,290,629 | \$ 68,524,195 | \$ 68,161,164 | \$ 67,161,585 | -1.99% |
| Non-Departmental | | | | | | |
| Correction and Detention | 18,988,215 | 15,439,820 | 15,691,618 | 16,151,618 | 16,151,618 | 2.93% |
| Fire Commission | 556,718 | 593,148 | 572,241 | 573,304 | 253,304 | -55.73% |
| Total Uses | \$ 84,508,176 | \$ 85,323,598 | \$ 84,788,054 | \$ 84,886,086 | \$ 83,566,507 | -1.44% |

Functional Area History of Uses by Category

| Category | 2009 | 2010 | 2011 | 2012 | 2012 | Adopted % Change |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Actual | Actual | Adopted | Requested | Adopted | |
| Personnel | \$ 45,670,994 | \$ 47,020,015 | \$ 49,187,588 | \$ 48,535,430 | \$ 47,973,439 | -2.47% |
| Commodities | 1,859,351 | 750,515 | 947,126 | 947,126 | 842,038 | -11.10% |
| Contractual Services | 19,453,356 | 21,202,214 | 18,651,348 | 18,833,758 | 18,701,258 | 0.27% |
| Capital Outlay | 962,262 | 3,247,664 | 1,148,625 | 1,146,225 | 626,225 | -45.48% |
| Other Charges | 62,213 | 78,189 | 103,367 | 46,047 | 46,047 | -55.45% |
| Transfers Out | 16,500,000 | 13,025,000 | 14,750,000 | 15,377,500 | 15,377,500 | 4.25% |
| Total Uses | \$ 84,508,176 | \$ 85,323,598 | \$ 84,788,054 | \$ 84,886,086 | \$ 83,566,507 | -1.44% |
| Personnel FTE | 570 | 545.6 | 548.9 | 543.8 | 540 | |

Strategic Goals

- Continue to control the cost of providing service at the jail
- Establish a base-line allocation method for road patrol
- Implement a computer-based system to allow citizens to report misdemeanors and receive written report (for insurance claims)
- Evaluate potential for more multi-township collaborative efforts to fund road patrol operations
- Increase jail capacity within next 5 years

Short-Term Tactical Objectives (System-wide)

- Develop a more effective community re-entry program
- Aggressively develop strategies to better manage the cost of inmate health-care
- Develop a more effective method for obtaining information from computers during criminal investigations
- Expand the availability and utilization of alternative sentencing programs

County Core Priorities

To provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all Kent County citizens by:

- Maintaining current and future financial stability
- Increasing influence on legislative changes
- Maintaining and developing facilities, infrastructure, and programs
- Providing timely, professional, and effective customer service
- Providing safe and healthy communities, enhancing the quality of life in Kent County
- Enhancing work environment, encouraging creativity and innovation
- Promoting open intergovernmental and public relations

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Sheriff's Department

701 Ball Avenue NE, Grand Rapids, MI 49503

Phone: (616) 632-6100 Fax: (616) 632-6122

Mission

The mission of the Kent County Sheriff's Office is to preserve and protect the safety and security of the residents of Kent County and to provide for a safe and secure correctional facility.

Overview

The Kent County Sheriff's Department provides law enforcement and corrections programs and services to the community.

The Sheriff is mandated to carry out a number of administrative and operational functions, including patrolling and monitoring traffic, providing emergency planning services, and providing court security when requested. Those functions are carried out by three divisions of the Sheriff's Department: Law Enforcement, Communications Technology, and Investigative.

The Sheriff is also mandated to provide for sufficient jail space and to keep it in good repair. The Corrections Division manages the County's correctional facility and other correctional programs.

The Sheriff's department maintains its own training center for its approximately 600 employees. The training center includes an indoor shooting range, a mock intake vestibule, a mock jail cell, and computerized training systems.

Strategic Goals

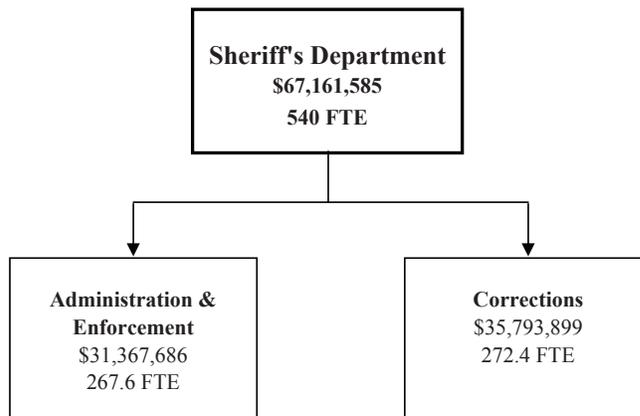
Strategic issues for the Department include:

- Continue to control the cost of providing service at the jail;
- Establish a base-line allocation method for road patrol;
- Implement a computer-based system to allow citizens to report misdemeanors and receive written report;
- Evaluate potential for more multi-township collaborative efforts to fund road patrol operations; and
- Increase jail capacity within next 5 years.

Operational Goals

- Provide high visibility police patrol and law enforcement through investigation of criminal, civil, and traffic matters
- Maintain the highest level of professionalism and service to the community
- Provide thorough investigations of criminal complaints
- Ensure the safety and security of the community by operating a correctional facility that is governed by applicable State and Federal laws

Organizational Structure



Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Licenses & Permits | \$ 30,901 | \$ 12,634 | \$ 22,800 | \$ 12,860 |
| Intergovernmental | 665,177 | 955,894 | 1,551,762 | 1,629,240 |
| Charges for Services | 3,551,605 | 2,912,399 | 3,576,400 | 3,148,480 |
| Reimbursements | 4,485,239 | 4,890,728 | 5,768,678 | 5,628,344 |
| Other Revenue | 560,590 | 355,459 | 475,000 | 425,120 |
| Total General Fund | \$ 9,293,511 | \$ 9,127,113 | \$11,394,640 | \$10,844,044 |
| Other Funds | | | | |
| Special Projects | 10,757,069 | 9,413,762 | 7,643,205 | 7,750,347 |
| Total Revenue | \$20,050,580 | \$18,540,875 | \$19,037,845 | \$18,594,391 |

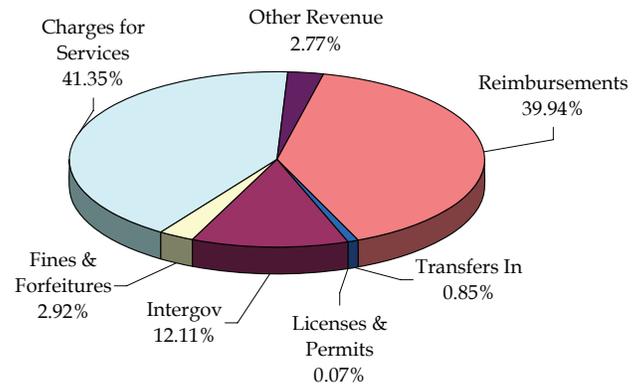
Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Personnel | \$45,022,174 | \$46,381,522 | \$46,809,300 | \$45,392,842 |
| Commodities | 1,844,632 | 740,478 | 930,626 | 823,138 |
| Contractual Services | 10,283,466 | 11,874,377 | 12,441,739 | 12,547,904 |
| Capital Outlay | 625,760 | 635,887 | 826,125 | 623,725 |
| Other | - | - | 28,000 | - |
| Total Uses | \$57,776,032 | \$59,632,264 | \$61,035,790 | \$59,387,609 |
| Other Funds | | | | |
| Special Projects | 7,187,210 | 9,658,365 | 7,488,405 | 7,773,976 |
| Total Department | \$64,963,242 | \$69,290,629 | \$68,524,195 | \$67,161,585 |
| Personnel FTE | 570 | 545.6 | 548.9 | 540 |

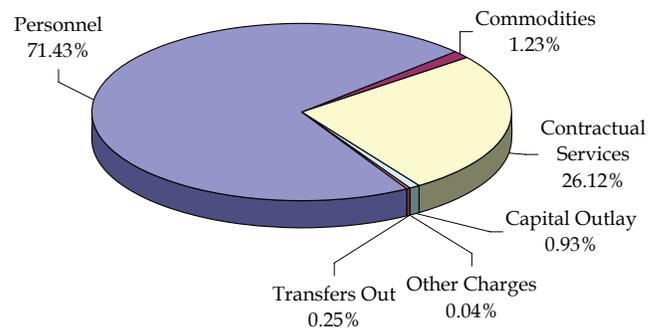
Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-----------------------|---------------------|---------------------|---------------------|---------------------|
| Enforcement | \$14,912,889 | \$15,237,909 | \$15,779,581 | \$15,260,010 |
| Enforcement-COPS | 120,390 | 160,251 | 235,537 | 244,794 |
| Enforcement-SEO | 25,869 | 20,127 | 19,730 | 21,361 |
| Enforcement-63rd DC | - | 89,876 | 89,070 | 187,189 |
| Enforcement-82 Ionia | - | 299,213 | 301,155 | 227,506 |
| Enforcement-Court | - | 1,248,978 | 1,273,877 | 1,265,880 |
| Administration | 730,582 | 598,602 | 729,235 | 809,871 |
| Millennium Park Sec | 180,015 | 79,181 | 99,681 | 117,184 |
| Law Enfrmt Comp Net | 135,239 | 142,847 | 161,935 | 170,556 |
| Marine Safety | 194,141 | 170,969 | 220,542 | 222,608 |
| Marine-Lk Bella Vista | 5,149 | 16 | 11,087 | 9,770 |
| Twp Law Enforcement | 2,245,427 | 2,334,126 | 2,489,538 | 2,432,639 |
| Twsp Law-E Precinct | 1,521,527 | 1,574,406 | 1,289,428 | 1,287,560 |
| Dispatch Svcs(911) | 2,029,185 | 2,668,218 | 3,846,272 | 3,594,453 |
| MI Dispatch Training | 11,264 | 8,518 | 45,000 | 45,000 |
| Electronic Crash Cap | - | 85,600 | - | - |
| Risk Avoidance Prog | - | 30,000 | - | - |
| Gifts - DARE | - | - | - | 5,000 |
| Kent Narcotics | 125,890 | 156,128 | 231,346 | 271,663 |
| MI Justice Training | 27,391 | 57,491 | 50,000 | 36,000 |
| Countywide 911 Disp | 848,954 | 4,463,099 | - | - |
| Central Dispatch Coll | 5,247,822 | 3,983,366 | 4,550,000 | 4,375,000 |
| Drug Enforcement | 94,680 | 103,718 | 106,903 | 109,595 |
| Secondary Rd Patrol | 485,353 | 484,412 | 452,054 | 514,347 |
| Coverdell Grant | 94,756 | - | - | - |
| Correctional Facility | 35,420,755 | 34,781,231 | 35,923,154 | 35,174,287 |
| Gifts - Jail | 96,241 | 76,233 | 94,700 | 199,800 |
| Gifts - Honor Camp | 2,051 | 2,394 | - | 128,500 |
| Cor Offc Training | 75,651 | 131,240 | 294,300 | 291,312 |
| Emergency Mgmt | 254,863 | 226,315 | 230,070 | 159,700 |
| Homeland Sec Grant | 77,158 | 76,166 | - | - |
| Total | \$64,963,242 | \$69,290,629 | \$68,524,195 | \$67,161,585 |

2012 Adopted Revenues
\$18,594,391



2012 Adopted Uses
\$67,161,585



Significant Accomplishments

- Cop Logic - We continue to expand our online reporting system that allows citizens and businesses to report lesser crimes via the internet without the need of having a patrol unit sent to their location.
- Dispatch - We entered into an agreement with the Kent County Dispatch Authority to provide 911 call answering, contracts with the cities of Grandville and Walker for Police Dispatching, and Contracts with Cutlerville, Dutton, Caledonia, Byron Center, Walker, Kentwood, and Grandville for Fire Dispatching. We anticipate going live on the new software that will allow us to fully implement the center.

Administration & Enforcement

Three divisions of the Sheriff’s Department carry out administrative and enforcement duties. The Communications Technology Division includes the records unit, the emergency management program, the training unit, the traffic/accident reconstruction unit, scientific support unit, and dispatch. The Enforcement Division includes the road patrol, community services unit, marine unit, and the park police unit. The Investigative Division includes the detective unit, the vice unit, the family services unit, and the tactical apprehension and confrontation team (T.A.C.T.).

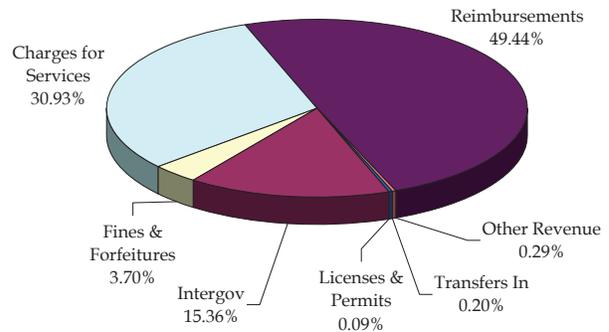
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|------|--------|--------|---------------|
| Outcome: | | | | |
| Answer 95% of 911 calls within 15 seconds | NA | NA | 98.30% | 95.00% |
| Answer 99% of 911 calls within 40 seconds | NA | 99.00% | 99.90% | 99.00% |
| Percentage of patrol officers time available for proactive work | NA | NA | 32.00% | 30.00% |
| Percentage of proactive patrol time spent generating self initiated police work | NA | NA | 75.00% | 75.00% |
| Percentage of cases investigated to the fullest extent | NA | NA | 32.00% | 70.00% |
| Percentage of positive hits for DNA and AFIS (Automated Fingerprint Identification System) | NA | NA | 14.00% | 6.00% |
| Output: | | | | |
| Number of cases assigned | NA | NA | 4,507 | NA |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Licenses & Permits | \$ 30,901 | \$ 12,634 | \$ 22,800 | \$ 12,860 |
| Intergovernmental | 665,177 | 955,894 | 1,551,762 | 1,629,240 |
| Charges for Services | 31,359 | 144,959 | 71,300 | 161,250 |
| Reimbursements | 4,221,613 | 4,763,877 | 5,500,178 | 5,453,184 |
| Other Revenue | 46,738 | 42,111 | 25,000 | 42,180 |
| Total General Fund | \$ 4,995,787 | \$ 5,919,474 | \$ 7,171,040 | \$ 7,298,714 |
| Other Funds | | | | |
| Special Projects | 10,478,175 | 9,169,708 | 7,388,205 | 7,366,847 |
| Total Revenue | \$15,473,962 | \$15,089,182 | \$14,559,245 | \$14,665,561 |

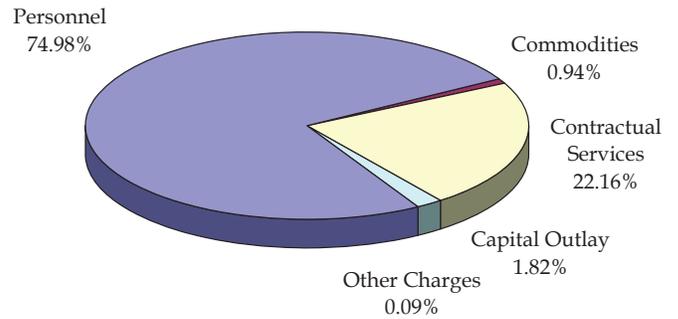
2012 Adopted Revenues \$14,665,561



Division Expenditures by Category

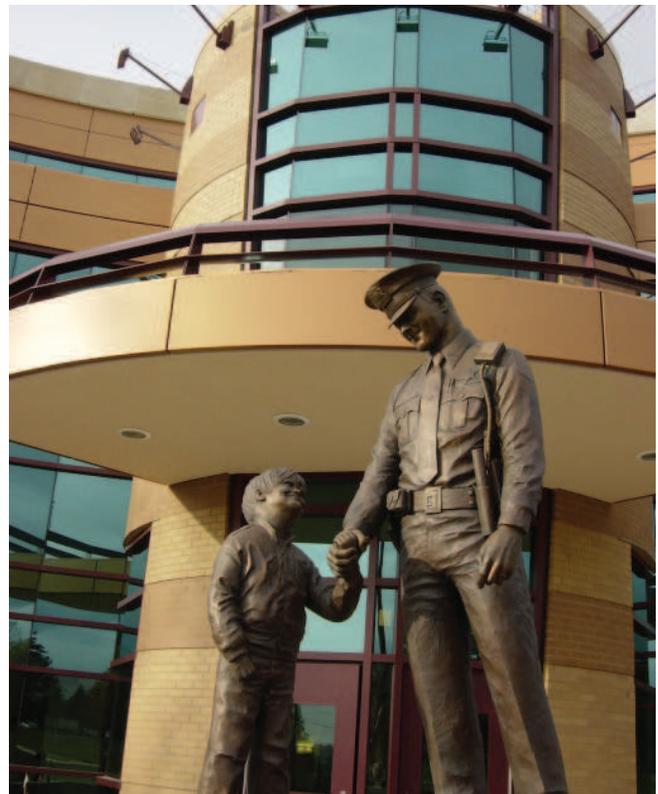
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Personnel | \$19,529,519 | \$21,908,496 | \$21,756,559 | \$21,055,076 |
| Commodities | 214,085 | 235,813 | 295,904 | 290,304 |
| Contractual Services | 2,066,494 | 2,113,410 | 2,257,798 | 2,295,967 |
| Capital Outlay | 545,179 | 593,313 | 774,375 | 571,975 |
| Other | - | - | 28,000 | - |
| Total Uses | \$22,355,276 | \$24,851,033 | \$25,112,636 | \$24,213,322 |
| Other Funds | | | | |
| Special Projects | 7,013,268 | 9,448,498 | 7,099,405 | 7,154,364 |
| Total Department | \$29,368,544 | \$34,299,531 | \$32,212,041 | \$31,367,686 |
| Personnel FTE | 248.5 | 245.2 | 272.2 | 267.6 |

**2012 Adopted Uses
\$31,367,686**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------|---------------------|---------------------|---------------------|---------------------|
| Enforcement | \$14,912,889 | \$15,237,909 | \$15,779,581 | \$15,260,010 |
| Enforcement COPS-GF | 120,390 | 160,251 | 235,537 | 244,794 |
| Enforcement-SEO | 25,869 | 20,127 | 19,730 | 21,361 |
| Enforcement-63rd DC | - | 89,876 | 89,070 | 187,189 |
| Enforcement-82 Ionia | - | 299,213 | 301,155 | 227,506 |
| Enforcement-Cthse | - | 1,248,978 | 1,273,877 | 1,265,880 |
| Administration | 730,582 | 598,602 | 729,235 | 809,871 |
| Millennium Park Sec | 180,015 | 79,181 | 99,681 | 117,184 |
| Law Enfrmt Comp Net | 135,239 | 142,847 | 161,935 | 170,556 |
| Marine Safety | 194,141 | 170,969 | 220,542 | 222,608 |
| Marine-Lk Bella Vista | 5,149 | 16 | 11,087 | 9,770 |
| Township Law Enfrmt | 2,245,427 | 2,334,126 | 2,489,538 | 2,432,639 |
| Twsp Law-E Precinct | 1,521,527 | 1,574,406 | 1,289,428 | 1,287,560 |
| Dispatch Services(911) | 2,029,185 | 2,668,218 | 3,846,272 | 3,594,453 |
| MI Dispatch Training | 11,264 | 8,518 | 45,000 | 45,000 |
| Electronic Crash Cap | - | 85,600 | - | - |
| Risk Avoidance Prog | - | 30,000 | - | - |
| Kent Narcotics | 125,890 | 156,128 | 231,346 | 271,663 |
| Gifts - DARE | - | - | - | 5,000 |
| Mich Justice Training | 27,391 | 57,491 | 50,000 | 36,000 |
| Countywide 911 Disp | 848,954 | 4,463,099 | - | - |
| Central Dispatch Coll | 5,247,822 | 3,983,366 | 4,550,000 | 4,375,000 |
| Drug Enforcement | 94,680 | 103,718 | 106,903 | 109,595 |
| Secondary Road Patrol | 485,353 | 484,412 | 452,054 | 514,347 |
| Coverdell Grant | 94,756 | - | - | - |
| Emergency Mgmt | 254,863 | 226,315 | 230,070 | 159,700 |
| Homeland Sec Grant | 77,158 | 76,166 | - | - |
| Total | \$29,368,544 | \$34,299,531 | \$32,212,041 | \$31,367,686 |



Significant Budget Issues

Personnel decreased by a net 4.6 FTE positions from 2011 to 2012. The decrease is due to the elimination of 3.3 FTE Police Cadets; the elimination of 1.0 FTE Office Administrator; and the reduction 0.3 FTE hours for part-time positions.

Corrections

The Corrections Division manages the County's correctional facility, manages prisoner transfers and court security, operates an honor camp and runs a re-entry center.

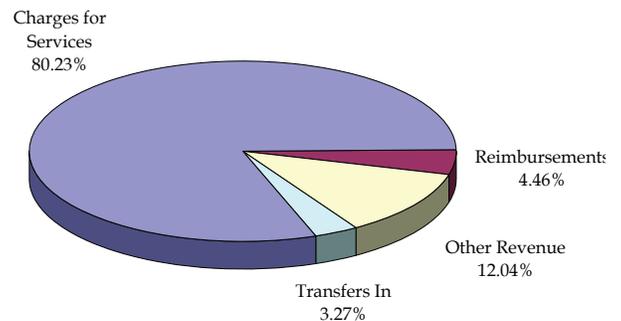
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|------|------|------|---------------|
| Outcome: | | | | |
| Sanitation scores resulting from the Monthly Inspection conducted by a wide cross section of people from different perspectives. Sanitation score as determined by Sanitation Officer. | NA | NA | 7.30 | >8.00 |
| Occurrence rate equals: Number of Category 2 and 3 violations divided by the number of Jail Bed Days times 1000 | NA | NA | 2.28 | <2.00 |

Division Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | | | | |
| Charges for Services | 3,520,246 | 2,767,440 | 3,505,100 | 2,987,230 |
| Reimbursements | 263,626 | 126,851 | 268,500 | 175,160 |
| Other Revenue | 513,852 | 313,348 | 450,000 | 382,940 |
| Total General Fund | \$4,297,724 | \$3,207,639 | \$4,223,600 | \$3,545,330 |
| Other Funds | | | | |
| Special Projects | 278,894 | 244,054 | 255,000 | 383,500 |
| Total Revenue | \$4,576,617 | \$3,451,693 | \$4,478,600 | \$3,928,830 |

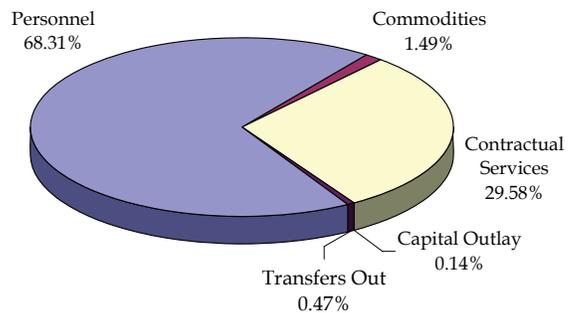
2012 Adopted Revenues \$3,928,830



Division Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Personnel | \$25,492,655 | \$24,473,026 | \$25,052,741 | \$24,337,766 |
| Commodities | 1,630,547 | 504,664 | 634,722 | 532,834 |
| Contractual Services | 8,216,972 | 9,760,967 | 10,183,941 | 10,251,937 |
| Capital Outlay | 80,581 | 42,574 | 51,750 | 51,750 |
| Total Uses | \$35,420,755 | \$34,781,231 | \$35,923,154 | \$35,174,287 |
| Other Funds | | | | |
| Special Projects | 173,943 | 209,867 | 389,000 | 619,612 |
| Total Department | \$35,594,698 | \$34,991,098 | \$36,312,154 | \$35,793,899 |
| Personnel FTE | 321.5 | 300.4 | 276.7 | 272.4 |

2012 Adopted Uses \$35,793,899



Program Expenditures

| | 2009 | 2010 | 2011 | 2012 |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted | Adopted |
| Correctional Facility | \$35,420,755 | \$34,781,231 | \$35,923,154 | \$35,174,287 |
| Gifts - Jail | 96,241 | 76,233 | 94,700 | 199,800 |
| Gifts - Honor Camp | 2,051 | 2,394 | - | 128,500 |
| Local Corr Off Training | 75,651 | 131,240 | 294,300 | 291,312 |
| Total | \$35,594,698 | \$34,991,098 | \$36,312,154 | \$35,793,899 |



Correctional Facility

Significant Budget Issues

The Correctional Facility eliminated 4.3 FTE positions for 2012. The full-time eliminations consist of 1.0 FTE County Police Lieutenant, 1.0 FTE County Police Captain, and 1.0 FTE Account Clerk I position. In addition, 0.8 FTE Laundry Service Coordinator position and 0.5 FTE part-time temporary position were eliminated.

Non-Departmental

Fire Prevention

The Fire Prevention Fund was established in 1942. The Fire Commission is permitted by MCLA 46.301 to oversee the purchase of fire extinguishing apparatus and equipment for 15 participating townships on a rotating basis. The law permitting such activity limits the County’s contribution to 50 percent of the cost of such equipment, with townships required to contribute the remaining 50 percent.

The County administration manages the Fire Prevention Fund and serves as staff to the Commission, performing the managerial, clerical, and purchasing functions of purchasing and maintaining the equipment.

Department Expenditures by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| Fire Prevention Fund | | | | |
| Personnel | \$ 1,621 | \$ 1,454 | \$ 2,100 | \$ 1,760 |
| Commodities | 12,155 | 7,879 | 13,000 | 13,000 |
| Contractual Services | 194,667 | 174,191 | 199,028 | 218,656 |
| Operating Capital | 318,978 | 367,931 | 322,500 | 2,500 |
| Other Charges | 29,297 | 41,693 | 35,613 | 17,388 |
| Total Uses | \$ 556,718 | \$ 593,148 | \$ 572,241 | \$ 253,304 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

There is no fire apparatus acquisition planned for 2012.

Correction & Detention Millage

To account for the proceeds of a dedicated millage levied to pay for operations and debt service related to the expansion of the correction and detention facilities.

Department Expenditures by Category

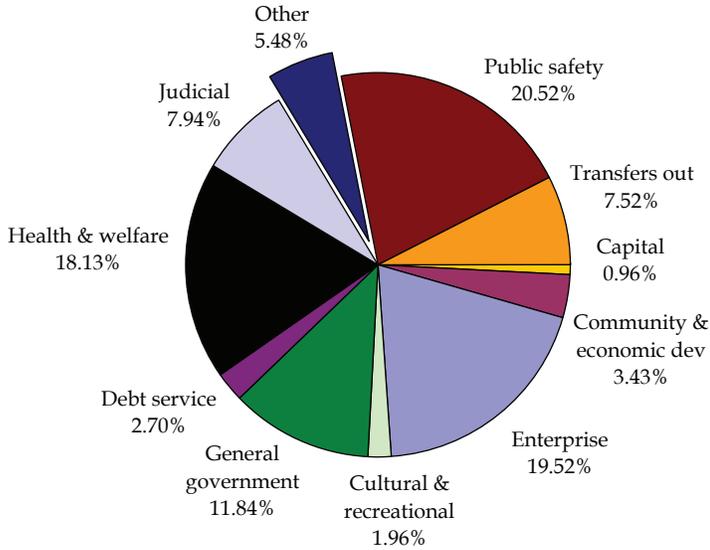
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|--|---------------------|---------------------|---------------------|---------------------|
| Correction & Detention Fund | | | | |
| Contractual Services | \$ 2,488,215 | \$ 2,414,820 | \$ 941,618 | \$ 941,618 |
| Transfer to Gen Fund | 16,500,000 | 13,025,000 | 14,750,000 | 15,210,000 |
| Total Uses | \$18,988,215 | \$15,439,820 | \$15,691,618 | \$16,151,618 |
| Personnel FTE | 0 | 0 | 0 | 0 |

Significant Budget Issues

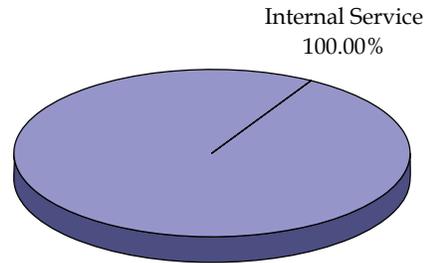
It is projected that this fund will show a positive margin for FY 2011 and FY 2012 due to the Recovery Zone Economic Development Bond Subsidy from the Federal government. It is expected that the subsidy to the General Fund, from this fund, will range between \$15.5 million and \$15.9 million over the next five years. The fund balance will be maintained at a level of approximately \$500,000 starting in FY 2016.

Other Functional Area at a Glance

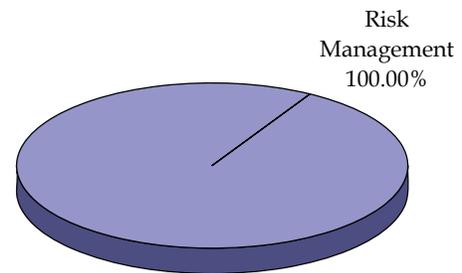
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$22,300,229



2012 Functional Area Uses by Department



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Category

| Category | 2009 | 2010 | 2011 | 2012 | 2012 | Adopted % Change |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Actual | Actual | Adopted | Requested | Adopted | |
| Personnel | \$ 357,165 | \$ 665,487 | \$ 591,768 | \$ 593,057 | \$ 593,057 | 0.22% |
| Commodities | 1,557 | 1,318 | 960 | 640 | 640 | -33.33% |
| Contractual Services | 20,707,826 | 20,672,804 | 21,718,900 | 21,654,500 | 21,654,500 | -0.30% |
| Capital Outlay | - | - | - | - | - | NA |
| Other Charges | 80,367 | 78,400 | 64,286 | 52,032 | 52,032 | -19.06% |
| Transfers Out | - | - | - | - | - | NA |
| Total Uses | \$ 21,146,914 | \$ 21,418,010 | \$ 22,375,914 | \$ 22,300,229 | \$ 22,300,229 | -0.34% |
| Personnel FTE | 2 | 2 | 2 | 2 | 2 | |

Functional Area History of Uses by Department

| Department | 2009 | 2010 | 2011 | 2012 | 2012 | Adopted % Change |
|-------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Actual | Actual | Adopted | Requested | Adopted | |
| Risk Management | 21,146,914 | 21,418,010 | 22,375,914 | 22,300,229 | 22,300,229 | -0.34% |
| Total Uses | \$ 21,146,914 | \$ 21,418,010 | \$ 22,375,914 | \$ 22,300,229 | \$ 22,300,229 | -0.34% |

Risk Management/Insurance

County Administration Building
 300 Monroe Avenue NW, Grand Rapids, Michigan 49503
 Phone: (616) 632-7670 Fax: (616) 632-7665

Mission

To administer the risk management activities including the procurement of insurance, claim payments, safety and loss prevention in the best interest of the County.

Overview

The Risk Management office identifies, evaluates, and attempts to reduce risk exposures for County departments and facilities. The Risk Management office administers the self-funded and commercial insurance programs, which include property, liability, auto, and workers' compensation. In addition, the office administers the safety compliance program, manages claims, and initiates loss prevention.

In addition to its administration and reporting duties, the Risk Management budget also includes benefit costs, including retirement personnel group health insurance, prescription benefits, the dental plan, long term disability, and unemployment benefits.

Goals

- To mitigate risk exposure
- To reduce the frequency and severity of claims
- To reduce lost workdays due to occupational illness or injury

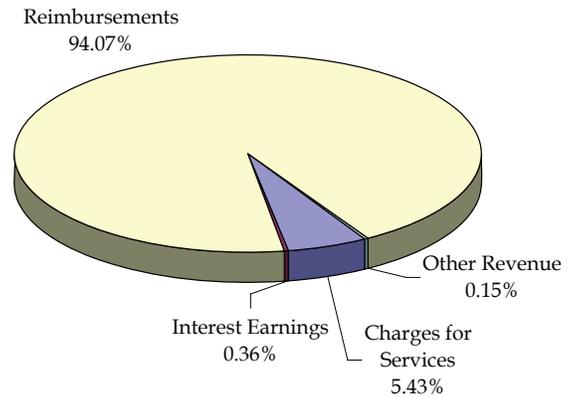
Selected Performance Measures

| Indicator | 2009 | 2010 | 2011 | 2012 Expected |
|--|---------|---------|---------|------------------|
| Outcomes: | | | | |
| Average cost of workers comp indemnity claim | \$4,527 | \$3,513 | \$3,097 | \$3,083 |
| Average cost of workers comp medical claim | \$1,523 | \$1,420 | \$1,293 | \$1,000 |
| Average cost of auto physical damage claim | \$1,348 | \$1,202 | \$1,329 | \$1,158 |
| Average cost of General Liability claim | \$2,815 | \$740 | \$155 | \$1,607 |
| Lost workdays per workers comp indemnity claim | 33.38 | 40.00 | 38.80 | 33.30 |
| Efficiency: | | | | |
| Claims processed per employee (2 FTE) | 140.50 | 138.00 | 129.00 | 133.50 |

Department Revenue by Category

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------|---------------------|---------------------|---------------------|---------------------|
| Risk Management | | | | |
| Charges for Services | \$ 1,266,891 | \$ 1,093,279 | \$ 900,000 | \$ 1,111,000 |
| Investment Earnings | 213,017 | 57,631 | 109,000 | 72,700 |
| Reimbursements | 21,677,490 | 20,827,151 | 19,537,902 | 19,251,400 |
| Other Revenue | 45,144 | 87,283 | 30,000 | 30,000 |
| Total Revenue | \$23,202,542 | \$22,065,344 | \$20,576,902 | \$20,465,100 |

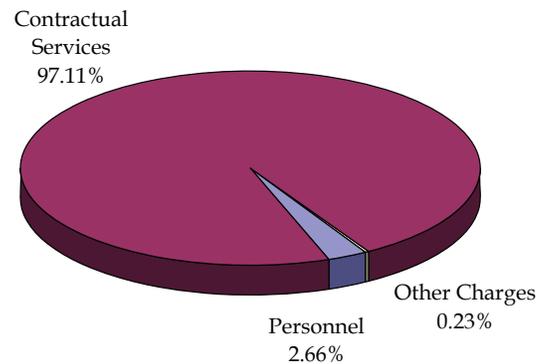
**2012 Adopted Revenues
\$20,465,100**



Department Expenditures by Category

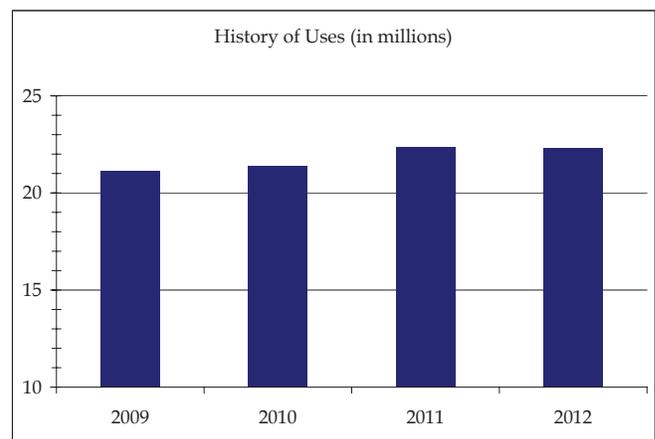
| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|------------------------|---------------------|---------------------|---------------------|---------------------|
| Risk Management | | | | |
| Personnel | \$ 357,165 | \$ 665,487 | \$ 591,768 | \$ 593,057 |
| Commodities | 1,557 | 1,318 | 960 | 640 |
| Contractual | 20,707,826 | 20,672,804 | 21,718,900 | 21,654,500 |
| Other Expense | 80,367 | 78,400 | 64,286 | 52,032 |
| Total Uses | \$21,146,914 | \$21,418,010 | \$22,375,914 | \$22,300,229 |
| Personnel FTE | 2 | 2 | 2 | 2 |

**2012 Adopted Uses
\$22,300,229**



Program Expenditures

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|-------------------|---------------------|---------------------|---------------------|---------------------|
| Third Party Admin | \$17,342,833 | \$16,617,798 | \$17,844,300 | \$18,033,000 |
| Dental Plan | 1,201,935 | 1,211,706 | 1,237,000 | 1,237,500 |
| Insurance | 1,572,984 | 2,158,514 | 1,839,414 | 1,727,129 |
| Unemployment Comp | 201,993 | 503,520 | 425,000 | 425,000 |
| Workers Comp | 827,170 | 926,471 | 1,030,200 | 877,600 |
| Total | \$21,146,914 | \$21,418,010 | \$22,375,914 | \$22,300,229 |

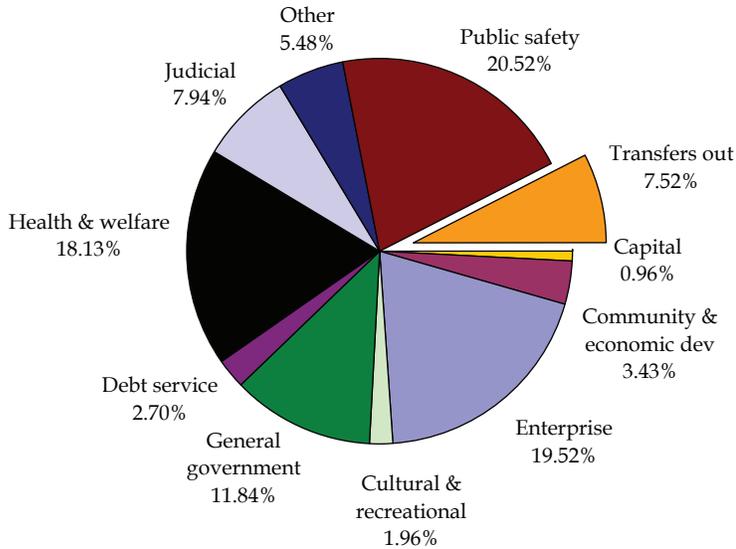


Significant Budget Issues

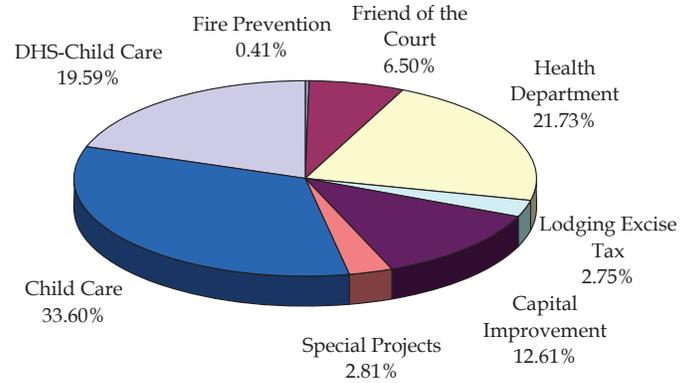
The Fiscal Year 2012 Adopted Budget projects that fund balances will be spent down by \$1.8 million, this is intentionally designed to bring fund balances to the equivalent of 60-days operating expenses.

Transfers At a Glance

2012 County Uses by Functional Area
\$407,282,316*



2012 Transfers Out to Specific Fund
\$30,629,241



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Summary of Transfers by Fund Type

| Fund Type | 2009 | 2010 | 2011 | 2012 | 2012 | Adopted |
|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------|
| | Actual | Actual | Adopted | Requested | Adopted | % Change |
| General Fund | | | | | | |
| Fire Prevention Fund | \$ 196,000 | \$ 172,247 | \$ 165,627 | \$ 225,652 | \$ 126,652 | -23.53% |
| Friend of the Court Fund | 2,229,352 | 2,192,849 | 2,066,668 | 1,989,837 | 1,989,837 | -3.72% |
| Health Fund | 8,360,955 | 5,545,480 | 7,029,696 | 7,356,950 | 6,656,868 | -5.30% |
| Lodging Excise Tax | 505,662 | 1,474,356 | 2,094,500 | 1,000,000 | 841,348 | -59.83% |
| Capital Improvement Fund | - | 200,000 | 2,986,976 | 3,861,128 | 3,861,128 | 29.27% |
| Special Projects Fund | 622,485 | 973,225 | 981,142 | 1,060,493 | 860,493 | -12.30% |
| Child Care Fund | 10,823,775 | 9,933,105 | 10,724,798 | 10,543,112 | 10,292,915 | -4.03% |
| DHS-Child Care Fund | 6,664,464 | 4,937,650 | 6,954,734 | 6,888,652 | 6,000,000 | -13.73% |
| Total | \$ 29,402,693 | \$ 25,428,913 | \$ 33,004,141 | \$ 32,925,824 | \$ 30,629,241 | -7.20% |

Introduction to Capital

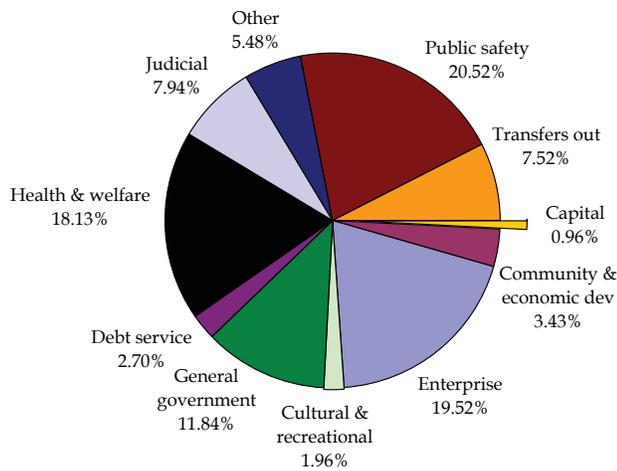
This section provides an overview of the Capital functional area, which includes expenditures related to Building Authority Construction, Bond Capital Improvement Capital Projects, and the Capital Improvement Program (CIP). The section provides program descriptions, discussion of any significant budget issues, and a three-year history of uses and budgeted personnel. The CIP description further provides a description of the annual CIP process, significant CIP policies and procedures, and a list of the approved CIP projects. Also included is a summary of each project and the impact on the operating budget where it exists. A schedule for future CIP project requests is also provided.

Capital Section Table of Contents

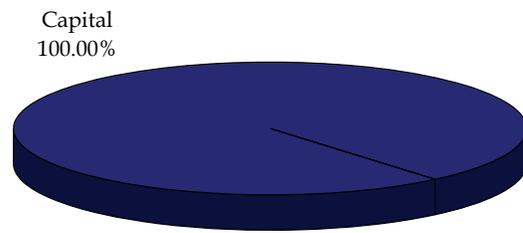
| | |
|---|-----|
| Introduction | E-1 |
| Capital Functional Area at a Glance | E-2 |
| Building Authority Construction | E-3 |
| Bond Capital Improvement Capital Projects | E-4 |
| Capital Improvement Program | E-5 |

Capital Functional Area at a Glance

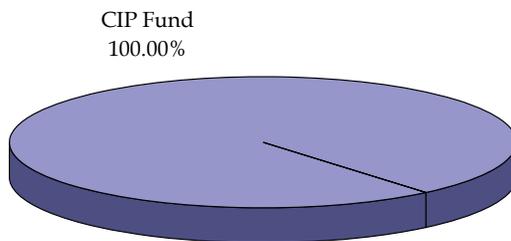
2012 County Uses by Functional Area
\$407,282,316*



2012 Functional Area Uses by Fund Type
\$3,900,128



2012 Functional Area Uses by Activity



* This chart is net of the \$7,000,001 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

Functional Area History of Uses by Category

| Category | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|----------------------|----------------------|----------------------|---------------------|---------------------|---------------------|------------------|
| Personnel | \$ - | \$ - | \$ - | \$ - | \$ - | NA |
| Commodities | - | - | - | - | - | NA |
| Contractual Services | - | - | - | - | - | NA |
| Capital Outlay | 22,327,058 | 12,281,279 | 2,110,926 | 2,739,325 | 2,739,325 | 29.77% |
| Other Charges | 356,456 | 6,900,013 | - | - | - | NA |
| Transfers Out | 8,922,583 | 5,223,558 | 1,170,100 | 1,160,803 | 1,160,803 | -0.79% |
| Total Uses | \$ 31,606,097 | \$ 24,404,850 | \$ 3,281,026 | \$ 3,900,128 | \$ 3,900,128 | 18.87% |

| | | | | | |
|----------------------|---|---|---|---|---|
| Personnel FTE | 0 | 0 | 0 | 0 | 0 |
|----------------------|---|---|---|---|---|

The Fiscal Year 2010 Actual includes a, \$1.5 million, Transfer Out to the County General Fund to close out fund balances in the CIP Fund.

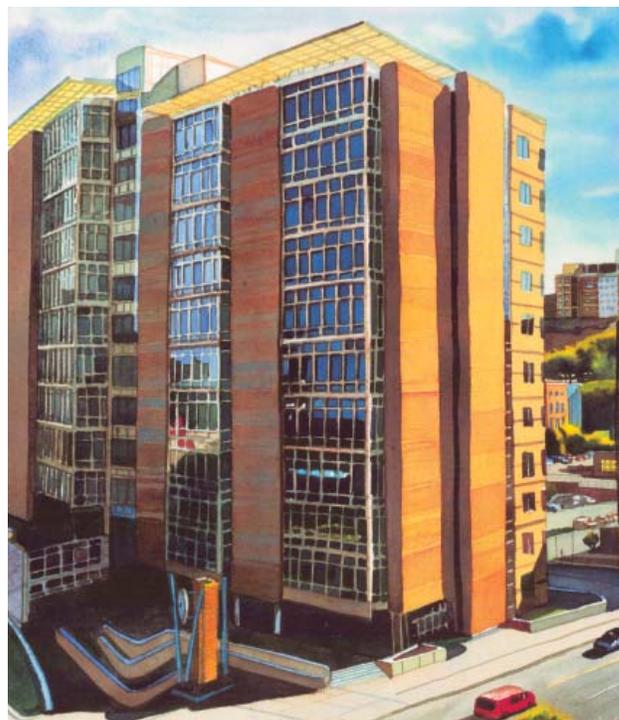
Functional Area History of Uses by Activity

| Department | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Requested | 2012 Adopted | Adopted % Change |
|------------------------------|----------------------|----------------------|---------------------|---------------------|---------------------|------------------|
| Build Auth Construction Fund | \$ 12,124,850 | \$ 17,584,930 | \$ - | \$ - | \$ - | NA |
| Bond Capital Imp Fund | 8,570,731 | 145,104 | - | - | - | NA |
| Capital Imp Program Fund | 10,910,517 | 6,674,815 | 3,281,026 | 3,900,128 | 3,900,128 | 18.87% |
| Total Uses | \$ 31,606,097 | \$ 24,404,850 | \$ 3,281,026 | \$ 3,900,128 | \$ 3,900,128 | 18.87% |

Building Authority Construction

Overview

The Kent County Building Authority was created in March 1989 for the purposes of acquiring, constructing or improving County facilities as directed by the Board of Commissioners. Projects are assigned to the Building Authority by resolution on a project-by-project basis. The Facilities Management Department provides the primary support for the specified building projects, and staff assistance to the Authority.

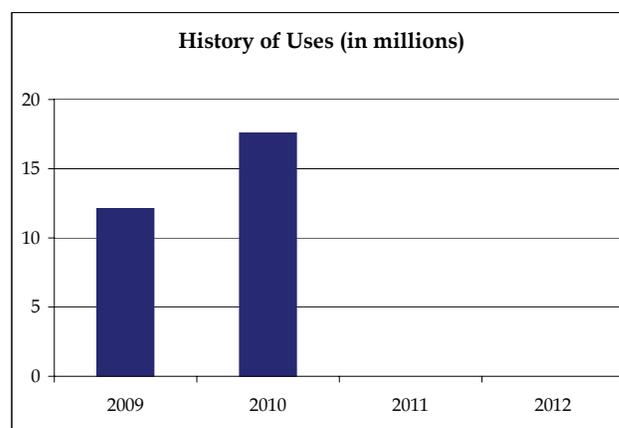


Kent County Courthouse

History of Uses

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|----------------------|----------------------|-----------------|-----------------|
| Category | | | | |
| Personnel | \$ - | \$ - | \$ - | \$ - |
| Commodities | - | - | - | - |
| Contractual Services | - | - | - | - |
| Capital Outlay | 9,635,612 | 8,119,408 | - | - |
| Other | 356,456 | 6,672,270 | - | - |
| Transfers Out | 2,132,781 | 2,793,253 | - | - |
| Total Uses | \$ 12,124,850 | \$ 17,584,930 | \$ - | \$ - |
| Personnel FTE | 0 | 0 | 0 | 0 |

There is a Fund Statement for this activity on page C-37.



Significant Budget Issues

During fiscal year 2009, the Building Authority appropriated approximately \$29.2 million for construction projects at the Correctional Facility. It is expected these projects will replace 520 beds in the older (1950-1970) sections of the main facility and renovate/expand the kitchen/dining (1963 construction) facilities at Juvenile Detention.

Bond Capital Improvement Capital Projects

Overview

The Bond Capital Improvement Capital Project Fund was created to account for construction projects funded by bonds which currently includes various building and land acquisitions within Kent County.

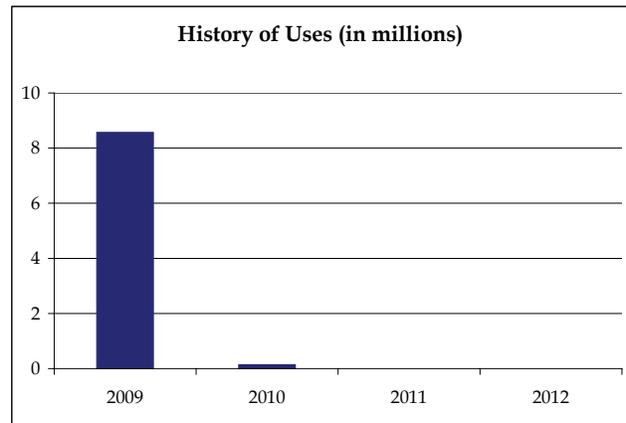


Kent County Millennium Park

History of Uses

| | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|----------------------|--------------------|-------------------|-----------------|-----------------|
| Category | | | | |
| Personnel | \$ - | \$ - | \$ - | \$ - |
| Commodities | - | - | - | - |
| Contractual Services | - | - | - | - |
| Capital Outlay | 7,896,992 | 145,104 | - | - |
| Other | - | - | - | - |
| Transfers Out | 673,738 | - | - | - |
| Total Uses | \$8,570,731 | \$ 145,104 | \$ - | \$ - |
| Personnel FTE | 0 | 0 | 0 | 0 |

There is a Fund Statement for this activity on page C-38.



Significant Budget Issues

No significant budget issues exist.

Capital Improvement Program

Overview

The Capital Improvement Projects Fund is used for acquiring, constructing, extending, altering, repairing, or equipping public improvements or public buildings. The County's Capital Improvement Program (CIP) establishes a five-year schedule of planned capital improvements. A typical CIP project will replace or improve the County's buildings, land, facilities, heavy equipment, or related infrastructure. To be included in the CIP budget, a project must have an estimated cost of \$25,000 or more.

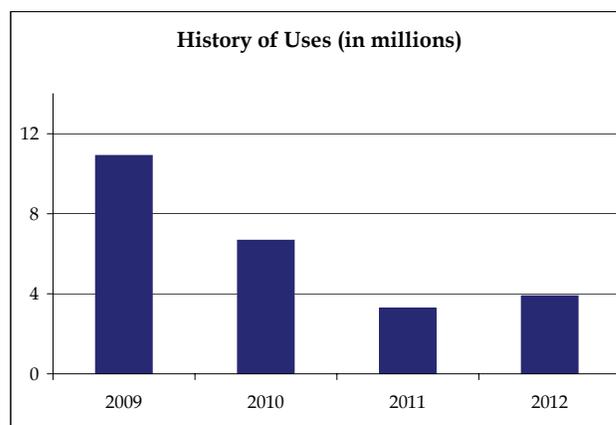
Proposed CIP projects are analyzed and discussed through a series of meetings among the Fiscal Services Department, a CIP Review Team, and the County Administrator/Controller. The County Administrator/Controller recommends a final list of projects to the Board of Commissioners for adoption. The original list of FY2012 projects submitted by operating departments totaled \$7.2 million of improvements to be financed mostly from the general tax levy. As was the case in previous years, not every request was recommended for funding. At its meeting held July 19, the Finance & Physical Resources Committee voted to recommend that \$3.9 million be appropriated for CIP projects (as identified/itemized in the budget document), compared to \$3.3 million that was budgeted in 2011. The projects are selected for funding based on the following criteria: health and safety, funding, mandated vs. discretionary service, and impact on annual operating costs. The Board of Commissioners reviews, amends, and adopts the CIP as part of the annual budgeting process.

CIP projects for 2012 are listed on the following five pages. Included in the list is a summary of each project and the impact on the operating budget where it exists. Also provided on page E-13, is a list of potential 2013-2016 CIP projects.

History of Uses

| | 2009 | 2010 | 2011 | 2012 |
|-------------------------|---------------------|---------------------|--------------------|---------------------|
| | Actual | Actual | Adopted | Adopted |
| Category | | | | |
| Personnel | \$ - | \$ - | \$ - | \$ - |
| Commodities | - | - | - | - |
| Contractual Services | - | - | - | - |
| Capital Outlay | 4,794,453 | 4,016,767 | 2,110,926 | 2,739,325 |
| Other | - | 227,743 | - | - |
| Transfers Out | 6,116,063 | 2,430,306 | 1,170,100 | 1,160,803 |
| Total Department | \$10,910,517 | \$ 6,674,815 | \$3,281,026 | \$ 3,900,128 |
| Personnel FTE | 0 | 0 | 0 | 0 |

There is a Fund Statement for this activity on page C-39.



Significant Budget Issues

The \$3.9 million in 2012 recommended projects includes funding for replacement of elevator controls in the County Administration building; upgrades to the security system and card access system at the Courthouse; storage and server replacements for Information Technology; open shelter rental enhancements for picnic areas and parking lot redevelopment for Parks; upgrade to the equalization software for the Bureau of Equalization; and upgrade to the ticketing equipment at the John Ball Zoo. Other major expenditures, in the CIP, include \$1.2 million for debt service on the 2008 Capital Improvement Bonds.

2012 Capital Improvement Program Summary

| Project Name | General Fund | Other | Total |
|---|------------------|----------|------------------|
| Equalizer .NET Upgrade | \$ 86,161 | \$ - | \$ 86,161 |
| Bureau of Equalization Total | 86,161 | - | 86,161 |
| Tiburon Software Upgrade | 75,000 | - | 75,000 |
| Circuit Court Total | 75,000 | - | 75,000 |
| Case Management Server | 30,000 | - | 30,000 |
| District Court Total | 30,000 | - | 30,000 |
| Fuller Campus - Series 2008 Debt Service | 1,160,803 | - | 1,160,803 |
| Health - Roof Replacement | 94,424 | - | 94,424 |
| Courthouse - Card Access Upgrade | 140,000 | - | 140,000 |
| Juvenile Detention - Gym Floor Replacement | 32,500 | - | 32,500 |
| City/County Work Plan | 37,100 | - | 37,100 |
| Roofing Replacement | 50,000 | - | 50,000 |
| Administration Bldg - Elevator Controls Replacement | 282,000 | - | 282,000 |
| Courthouse - Security System Upgrade | 137,000 | - | 137,000 |
| Asphalt Repairs | 50,000 | - | 50,000 |
| 82 Ionia - Carpet Replacement | 50,000 | - | 50,000 |
| Health - Dept HVAC | 50,000 | - | 50,000 |
| 82 Ionia - Parking Ramp Repairs | 50,000 | - | 50,000 |
| Administration Bldg - Revolving Door Replacement | 78,000 | - | 78,000 |
| Facilities Management Total | 2,211,827 | - | 2,211,827 |
| 2012 Storage | 250,000 | - | 250,000 |
| 2012 Server Replacement | 210,000 | - | 210,000 |
| Fuller Campus - Infrastructure Wiring | 70,000 | - | 70,000 |
| E-Mail Replacement Project | 64,350 | - | 64,350 |
| 82 Ionia - Replace Building Dmarc Wiring | 60,000 | - | 60,000 |
| Information Technology Total | 654,350 | - | 654,350 |
| Customer Service Technology Upgrade | 75,414 | - | 75,414 |
| Caledonia Park - Parking Lot Resurfacing | 59,706 | - | 59,706 |
| Reuhs Parks - Parking Lot Redevelopment | 97,250 | - | 97,250 |
| Various Parks - Asphalt Crack Fill and Seal Coating | 61,600 | - | 61,600 |
| Caledonia Park - Open Shelter Rental Enhancement | 109,725 | - | 109,725 |
| Parks Total | 403,695 | - | 403,695 |

Continued on following page

Continued from previous page

| Project Name | General Fund | Other | Total |
|----------------------------------|---------------------|------------------|---------------------|
| Jail entryway replacement | 35,000 | - | 35,000 |
| Central Control UPS | 52,875 | - | 52,875 |
| Jail sally port floor repairs | 60,000 | - | 60,000 |
| Combi Oven | 60,000 | - | 60,000 |
| Replace inmate wooden top tables | - | 39,000 | 39,000 |
| Sheriff Total | 207,875 | 39,000 | 246,875 |
| Chiller Compressor Rebuild | 26,600 | - | 26,600 |
| Zoo Roof Projects | 38,170 | - | 38,170 |
| Pond Pavilion Renovations | 53,900 | - | 53,900 |
| Ticketing Equipment | 73,550 | - | 73,550 |
| Zoo Total | 192,220 | - | 192,220 |
| CIP Projects Total | \$ 3,861,128 | \$ 39,000 | \$ 3,900,128 |

2012 Capital Improvement Program Summary

| Project Name/Site | Description | Operating Budget Impact | Cost |
|--|--|--|--------------|
| Case Management Server District Court Estimated Start Date: Jan 2012 Estimated Completion Date: Mar 2012 | To upgrade current server as it is obsolete. | This project will improve staff efficiency, AS400 server will have a faster processor speed and allow multiple software jobs and processes to occur faster at the same time. | \$ 30,000 |
| Capital Imp Bonds - Series 2008 Debt Service Fuller Complex/63rd District Court Estimated Start Date: NA Estimated Completion Date: NA | To pay debt service for Animal Shelter, Boiler Plant, Fuller Complex Improvements, 63rd District Court, and the Spectrum Facility. | Increased operating and maintenance costs required to operate larger facilities. | \$ 1,160,803 |
| Roofing Replacement Health Department Estimated Start Date: May 2012 Estimated Completion Date: Aug 2012 | To replace upper & lower roof areas of the Health facility. The main (upper) roof constructed in 1979 and (lower) constructed in 1989 are showing signs of failure and are in need of replacement. | Reduction in maintenance and utility costs. | \$ 94,424 |
| Card Access Upgrade Courthouse Estimated Start Date: Jan 2012 Estimated Completion Date: Oct 2012 | To replace obsolete card access system. The manufacturer is out of business and parts are no longer available, and the software is also obsolete with no upgrades or support. | None. | \$ 140,000 |
| Gym Floor Replacement Juvenile Detention Estimated Start Date: Jan 2012 Estimated Completion Date: Mar 2012 | To replace hard tile gym floor that is original to the 1963 facility and is used daily by the residents as part of the curriculum. This project will replace the floor with a rubber force reduction base (resilient) floor to provide a softer floor. | Reduction in maintenance costs. | \$ 32,500 |
| City/County Work Plan County Administration Building Estimated Start Date: Jan 2012 Estimated Completion Date: Mar 2012 | To upgrade and modernization the door access security system. Current system is in need of replacement due to technical obsolescence. | None. | \$ 37,100 |
| Roofing Replacement Estimated Start Date: Jun 2012 Estimated Completion Date: Dec 2012 | To replace failing roof structures. | Reduction in maintenance costs. | \$ 50,000 |

Continued on following page

Continued from previous page

| Project Name/Site | Description | Operating Budget Impact | Cost |
|---|---|--|------------|
| Elevator Controls Replacement County Administration Building Estimated Start Date: Jan 2012 Estimated Completion Date: Jun 2012 | To replace elevator controls that are original to the building (1969). Their continued use is beyond their service life and difficult for service technicians to repair. In 2012, there will be premiums added to the service contract because of outdated control systems. | There will be an annual savings of \$5,000 in maintenance costs. | \$ 282,000 |
| Security System Upgrade Courthouse Estimated Start Date: Jan 2012 Estimated Completion Date: Dec 2012 | To replace/upgrade security software simultaneous with card access system. Support for current software is poor and very difficult to obtain. | None. | \$ 137,000 |
| Asphalt Repairs Estimated Start Date: May 2012 Estimated Completion Date: Sep 2012 | To replace existing asphalt prior to failure. | Reduction in maintenance costs. | \$ 50,000 |
| Carpet Replacement 82 Ionia Estimated Start Date: Feb 2012 Estimated Completion Date: Nov 2012 | To replace carpet that is worn beyond repair. The carpet has many frayed edges, tears, and it is separating from the floor leaving it wrinkled - creating a trip hazard. | Reduction in maintenance and personnel costs. | \$ 50,000 |
| HVAC Health Department Estimated Start Date: Jan 2012 Estimated Completion Date: Sep 2012 | To complete the upgrade of controls and variable air volume boxes providing increased climate control and efficiencies. | Reduction of annual maintenance costs of \$15,000 from a 13% decline in annual energy consumption. | \$ 50,000 |
| Parking Ramp Repairs 82 Ionia Estimated Start Date: May 2012 Estimated Completion Date: Dec 2012 | To make repairs needed to maintain the integrity of the structure, to provide additional drainage, and extend it's useful life. | Reduction in maintenance costs. | \$ 50,000 |
| Revolving Door Replacement County Administration Building Estimated Start Date: Mar 2012 Estimated Completion Date: Jul 2012 | To replace the manual revolving door on the Plaza level with an automatic revolving door. | Increased efficiency of heating and cooling created by the efficient air-lock system. | \$ 78,000 |

Continued on following page

Continued from previous page

| Project Name/Site | Description | Operating Budget Impact | Cost |
|--|---|--|------------|
| Tiburon Software Upgrade II/Juvenile Detention Estimated Start Date: Jul 2012 Estimated Completion Date: Jul 2012 | To upgrade the current version of Tiburon as it is not compatible with Windows 7. | None. | \$ 75,000 |
| Equalizer.NET Upgrade II/Bureau of Equalization Estimated Start Date: Jan 2012 Estimated Completion Date: Jan 2012 | To upgrade equalization system to be compatible with partnering local units. Sixty-three percent of the local units have upgraded their systems with the remaining units to be upgraded by 2013. Continuing to work in two different formats with limited functionality, incompatibilities, and software versioning is problematic and not sustainable. | None. | \$ 86,161 |
| 2012 Storage Replacement Information Technology Estimated Start Date: Jan 2012 Estimated Completion Date: Dec 2012 | To provide additional capacity and enhance IT's ability to manage data storage through software. Due to the continual growth of data storage throughout the County, this additional space is necessary to support most County applications.. | None. | \$ 250,000 |
| 2012 Server Replacement Information Technology Estimated Start Date: Jan 2012 Estimated Completion Date: Dec 2012 | To continue the planned replacement of 1/4 of the existing server hardware. Planned obsolescence will allow us to achieve service level expectations for our customers due to the reliability of new in-warranty systems. | Reduction in maintenance costs resulting from reduced server failure and reduced utilities will save an estimated \$41,400 over 5 years. | \$ 210,000 |
| Infrastructure Wiring Fuller Campus Estimated Start Date: Jan 2011 Estimated Completion Date: Mar 2012 | To upgrade current data cabling standards to support VOIP on Fuller Campus. | None. | \$ 70,000 |
| E-mail Replacement Project Information Technology Estimated Start Date: Jan 2012 Estimated Completion Date: Dec 2012 | To migrate to a new Email system which will require changing email, instant messaging and calendars for 1800+ County employees and all linked applications. | Increased maintenance costs of \$75,000 annually for email hosting with archive, SPAM and office productivity apps. | \$ 64,350 |

Continued on following page

Continued from previous page

| Project Name/Site | Description | Operating Budget Impact | Cost |
|--|--|---|------------|
| Replace Building Dmarc Wiring 82 Ionia Estimated Start Date: Mar 2012 Estimated Completion Date: Jun 2012 | To replace current building telephony/ data service entrance that is poorly labeled and maintained. Replacing the dmarc would remove unneeded wiring, improve labeling, and speed troubleshooting of issues. | None. | \$ 60,000 |
| Customer Service Tech Upgrade Parks Department Estimated Start Date: Jan 2012 Estimated Completion Date: Dec 2012 | To consolidate software and processing systems to improve operating efficiency and data access. | Reduce annual maintenance costs by \$2,000. | \$ 75,414 |
| Parking Lot Resurfacing Caledonia Park Estimated Start Date: Mar 2012 Estimated Completion Date: Nov 2012 | To replace paving at Caledonia Park where the lot, entry drive and pave pathways near the ball field are in very poor condition. | Reduce annual maintenance costs by \$2,000. | \$ 59,706 |
| Parking Lot Redevelopment Reuhs Park Estimated Start Date: Mar 2012 Estimated Completion Date: Nov 2012 | To replace/relocate the current lot as it is deteriorating and occasionally over washed, the new lot will improve traffic flow and access to park facilities. | Reduce annual maintenance costs by \$700. | \$ 97,250 |
| Asphalt Crack Fill and Seal Coating Various Parks Estimated Start Date: Mar 2012 Estimated Completion Date: Nov 2012 | To repair aging paved areas in various parks to extend their lives and prevent significant deterioration. | Reduction in maintenance costs. | \$ 61,600 |
| Open Shelter Rental Enhancement Caledonia Park Estimated Start Date: Jan 2012 Estimated Completion Date: Jun 2012 | To enhance facilities to meet strong citizen demand for picnic area rentals. | Increased rental fees over \$5,000 annually over next five years. | \$ 109,725 |
| Jail Entry Replacement Correctional Facility Estimated Start Date: Jan 2012 Estimated Completion Date: Dec 2012 | To replace the main entryway, of the Correctional Facility, that was installed in 1991 and has deteriorated from the constant use and environmental conditions. | None. | \$ 35,000 |
| Jail Sally Port Floor Repairs Correctional Facility Estimated Start Date: Jan 2012 Estimated Completion Date: Jul 2012 | To repair the sally port floor that is pitting from excessive wear and tear from the constant vehicle traffic of officers bringing inmates to the jail. | None. | \$ 60,000 |

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Continued from previous page

| Project Name/Site | Description | Operating Budget Impact | Cost |
|---|---|---|--------------|
| Central Control UPS Correctional Facility Estimated Start Date: Jan 2012 Estimated Completion Date: Jul 2012 | To upgrade Central Control UPS to ensure the Central Control workstation will be functional during any emergency. Central Control operates most of the doors and access points in the Main Jail, as well as monitoring and controlling video cameras throughout the facility. | Reduction in maintenance costs. | \$ 52,875 |
| Combi Oven Correctional Facility Estimated Start Date: Jan 2012 Estimated Completion Date: Dec 2012 | To replace oven used to meet the food production needs for the inmates. This equipment is contractually required by vendor that provides food services. | None. | \$ 60,000 |
| Replace Inmate Wooden Top Tables Correctional Facility Estimated Start Date: Jan 2012 Estimated Completion Date: Apr 2012 | To replace 76 wooden top tables in the dayrooms used by the inmates for meals and other activities. These tables are 20 yrs old and have reached the end of their useful life. | None. | \$ 39,000 |
| Chiller Compression Rebuild John Ball Zoo Estimated Start Date: Apr 2012 Estimated Completion Date: Jun 2012 | To rebuild the existing 100 ton chiller on the side of the Aquarium, the compressor will not be under warranty in 2012 and is in need of a rebuild due to excessive run hours. Rebuilding is more cost effective than replacement. | None. | \$ 26,600 |
| Roof Projects John Ball Zoo Estimated Start Date: Apr 2012 Estimated Completion Date: Jun 2012 | To replace failing roof structures on the Zoo Administration Building and the Red Barn Concession and Restroom Building. | Reduction in maintenance costs. | \$ 38,170 |
| Pond Pavilion Renovations John Ball Zoo Estimated Start Date: Apr 2012 Estimated Completion Date: Jun 2012 | To upgrade the restroom to improve safety, make it easier to sanitize, and improve security. | Reduce annual maintenance costs by \$3,500. | \$ 53,900 |
| Ticketing Equipment John Ball Zoo Estimated Start Date: Apr 2012 Estimated Completion Date: Jun 2012 | To upgrade ticketing equipment and system, improving attendance monitoring and reducing unpaid admission. | Increase admission fees by an estimated \$50,000 per year by reducing unpaid admission. | \$ 73,550 |
| Total Cost | | | \$ 3,900,128 |

2013 - 2016 Capital Improvement Program Projects

| Project Name | 2013 | 2014 | 2015 | 2016 |
|---|---------------------|---------------------|---------------------|-------------------|
| 82 Ionia Facility Humidification | \$ 75,000 | \$ - | \$ - | \$ - |
| Courthouse Floor Covering Replacement | 200,000 | - | - | - |
| Parks Headquarters Facility | 1,500,000 | - | - | - |
| 82 Ionia Elevator Replacement | - | 300,000 | - | - |
| Courthouse Furniture Replacement | - | 500,000 | - | - |
| Fleet Services Replacement | - | 1,500,000 | - | - |
| Ionia Parking Ramp Replacement | - | - | 7,800,000 | - |
| 82 Ionia Areaway Infill | - | - | - | 300,000 |
| Facilities Management | 1,775,000 | 2,300,000 | 7,800,000 | 300,000 |
| PeopleSoft Replacement | 5,000,000 | - | - | - |
| Information Technology | 5,000,000 | - | - | - |
| Safe Access - Paris Park Trailhead | 374,615 | - | - | - |
| Site Stabilization - Dutton Park | 70,198 | - | - | - |
| Parkland and Open space Acquisition | 500,000 | - | - | - |
| Park Development - Townsend Park North | - | 381,900 | - | - |
| Wahlfield Park North Entry | - | 62,453 | - | - |
| Paving Overlays - Townsend Park | - | - | 188,529 | - |
| Park Development - Lowell Regional Parkland | - | - | 1,100,000 | - |
| Parks | 944,813 | 444,353 | 1,288,529 | - |
| Radio Console Furniture | 155,000 | - | - | - |
| 5th Floor Training Room | 52,000 | - | - | - |
| Pavement Repairs & Resurfacing | 150,000 | - | - | - |
| Jail Roof Replacement | 196,000 | 196,000 | - | - |
| Remodel C2 & C3 | 357,000 | - | - | - |
| Dispatch Radio Consoles | - | 750,000 | - | - |
| Wide Band to Narrow Band Radio Infrastructure | - | 200,000 | - | - |
| Replace Fingerprint Machines & Equipment | - | - | 200,000 | - |
| Elevator control replacement | - | - | 300,000 | - |
| Range Air Handler | - | - | - | 90,000 |
| Sheriff | 910,000 | 1,146,000 | 500,000 | 90,000 |
| Total | \$ 8,629,813 | \$ 3,890,353 | \$ 9,588,529 | \$ 390,000 |

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Introduction to Revenue Assumptions

The Revenue Assumptions section gives a historic perspective of Kent County’s revenue sources, and outlines the underlying assumptions for revenue estimates, as well as significant revenue trends.

Pages F-3 to F-5, Revenue History and Revenue Discussion by Category, provides a three-year listing of the eight categories (i.e., Taxes, Licenses & Permits, Intergovernmental, Charges for Services, Fines & Forfeitures, Investment Earnings, Reimbursements, Other) that comprise the County’s revenue stream, followed by a description and expected revenue change for each of these sources, as well as the use of Fund Balance.

Pages F-5 to F-8, Revenue Assumptions by Fund, highlights the primary sources of expected General Fund revenue streams and Non-General Fund revenues.

Pages F-9 to F-11, Revenue History by Fund, provides a detailed four-year listing of County revenue sources by category, subdivided by fund type.

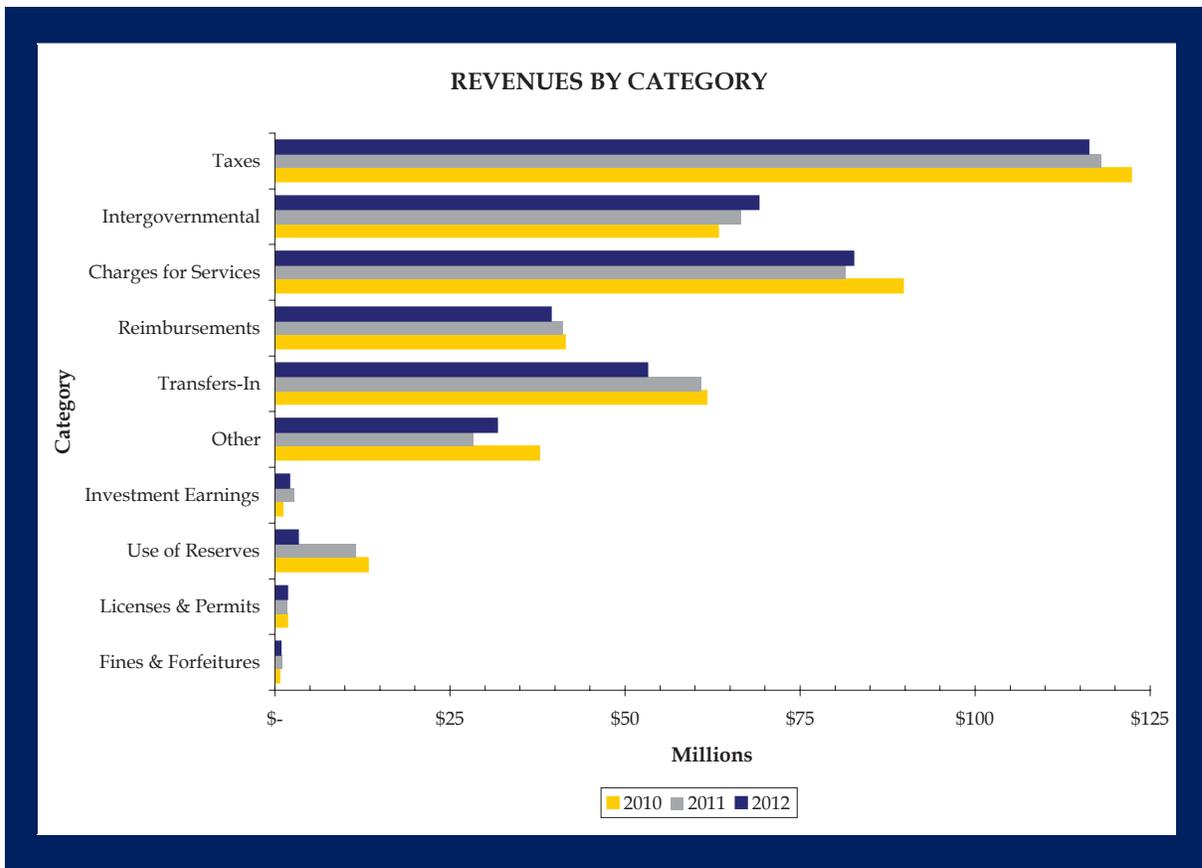
Revenue Assumptions Table of Contents

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| Revenue History and Revenue by Category | F-3 |
| Revenue Discussion by Category | F-4 |
| Revenue Assumptions by Fund | F-5 |
| Revenue History by Fund | F-9 |

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Revenue History by Category

| SOURCES | FY 2010 | | FY 2011 | | FY 2012 | |
|----------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|
| | ACTUAL | PERCENT | ADOPTED | PERCENT | ADOPTED | PERCENT |
| Taxes | \$ 122,296,175 | 28.2% | \$ 117,913,564 | 28.5% | \$ 116,222,574 | 29.0% |
| Licenses & Permits | 1,790,003 | 0.4% | 1,723,853 | 0.4% | 1,790,578 | 0.4% |
| Intergovernmental | 63,294,167 | 14.6% | 66,485,600 | 16.1% | 69,074,339 | 17.3% |
| Charges for Services | 89,694,639 | 20.7% | 81,509,730 | 19.7% | 82,627,888 | 20.6% |
| Fines & Forfeitures | 640,581 | 0.1% | 953,049 | 0.2% | 819,497 | 0.2% |
| Investment Earnings | 1,122,938 | 0.3% | 2,713,625 | 0.7% | 2,057,245 | 0.5% |
| Reimbursements | 41,452,949 | 9.6% | 41,121,246 | 10.0% | 39,417,194 | 9.8% |
| Other | 37,767,487 | 8.7% | 28,279,840 | 6.8% | 31,739,303 | 7.9% |
| Total Revenue | 358,058,937 | 82.7% | 340,700,507 | 82.5% | 343,748,618 | 85.9% |
| Reserves Use/(Dep) | 13,271,962 | 3.1% | 11,542,905 | 2.8% | 3,315,901 | 0.8% |
| Transfers-In | 61,670,026 | 14.2% | 60,892,063 | 14.7% | 53,217,796 | 13.3% |
| Total Sources | \$ 433,000,925 | 100.0% | \$ 413,135,475 | 100.0% | \$ 400,282,315 | 100.0% |



Revenue Discussion by Category

The following provides a brief description and the expected change for each revenue category. The basis for revenue estimates varies by category. For example, property taxes are estimated based on the past and present state of the local economy, with appraisal and assessment as the main factors. Some state revenues are disbursed to Michigan counties proportionately based on population or the state budget. User charges and fees are often a percentage of expenditures for selected services. Other revenue estimates are based on historical trends.

Taxes

The primary source of tax revenue is property tax; an annual tax based mostly on real estate properties. For the 2012 budget, taxes represent approximately 33.8% of the County's total revenue stream. The projection for all tax revenue totals \$116.2 million and includes the designated millage for the Correctional Facility and Senior Services, as well as Industrial Facilities Exemption Certificate Taxes, and the Hotel/Motel Tax. This represents a decrease of \$1.7 million, or 1.4%, from the 2011 budget. The majority of the decrease can be attributed to declining taxable values and its impact on property taxes.

Licenses and Permits

Licenses and Permits represent fees charged by the County to individuals and businesses for things such as marriage licenses, pistol permits, park and campground reservations, dog licenses, public water permits, sanitary facility appraisals, and food licenses. This source accounts for \$1.8 million, or 0.5%, of total revenues for the 2012 budget. This represents an increase of 3.9% from the 2011 budget. The majority of which can be attributed to fee increases for food licenses, sanitary facility appraisals, septic tank permits, private water supply permits, and dog licenses.

Intergovernmental

Intergovernmental revenue consists of grants from Federal, State, and local units of government. In 2005, one of the primary sources in this category, State Revenue Sharing, was eliminated by the State of Michigan in favor of the Tax Levy Shift. In 2011, Revenue Sharing payments were partially restored and will be fully restored in 2012 at a reduced rate. In 2012, Intergovernmental revenue accounts for \$69.1 million or 20.1% of total revenues. This represents an increase of 3.9% from the 2011 budget. This increase can be attributed to the restoration of State Revenue

Sharing in the amount of \$9.1 million, this is a \$2.2 million increase over the partial restored amount of \$6.9 million in 2011.

Charges for Services

Charges for Services are fees charged to individuals and businesses for services rendered. Primary revenue sources in this category include State Court Funding, Real Estate Transfer Tax, Certified Copy Fee, Board & Care, Parking Fees, and Public Works Services. This source accounts for \$82.6 million or 24.0% of total revenues for the 2012 budget. This represents an increase of 1.4% from the 2011 budget of \$81.5 million. This increase is a result of increased parking fees at the Gerald R. Ford International Airport.

Fines & Forfeitures

Fees charged for fines and forfeitures are assessed to individuals and businesses that have violated various statutes or laws. The primary revenue sources in this category are Penal Fines, Bond Forfeitures, Late Fees, and Impound Fees. The Fines & Forfeitures revenue source accounts for \$819,497 or 0.2% of total revenues for the 2012 budget. This represents a decrease of 14.0% from the 2011 budget of \$953,049.

Investment Earnings

Revenue in this category comes from interest earned on investments. The Interest Earnings revenue source accounts for \$2.1 million or 0.6% of total revenues for the 2012 budget. This represents a decrease of 24.2% from the 2011 budget of \$2.7 million. It is anticipated that short term interest rates will be approximately 1.5% in 2012.

Reimbursements

Revenue in this category is comprised of reimbursements for costs incurred, including Attorney Fees, Cost Allocation, Medicare and Medicaid, and Substance Abuse Fees. The Reimbursements revenue source accounts for \$39.4 million or 11.5% of total revenues for the 2012 budget. This represents a decrease of 4.1% from the 2011 budget of \$41.1 million.

Other Revenue

Other Revenue is primarily used for various accounts with infrequent usage. Some of the accounts included in this category are Contributions from Private Sources, Rents and Royalties, Sale of Fixed Assets, and Vending Machines & Pay Phones.

The Other Revenue source accounts for \$31.7 million or 9.2% of total revenues for the 2012 budget. This represents an increase of 12.2% from the 2011 budget of \$28.3 million. The increase is attributed to the first year of debt service on the Human Services facility.

Use of Fund Balance

Use of Fund Balance is necessary when budgeted expenditures exceed budgeted revenues. The 2012 budget plans for the use of \$3.3 million in reserves

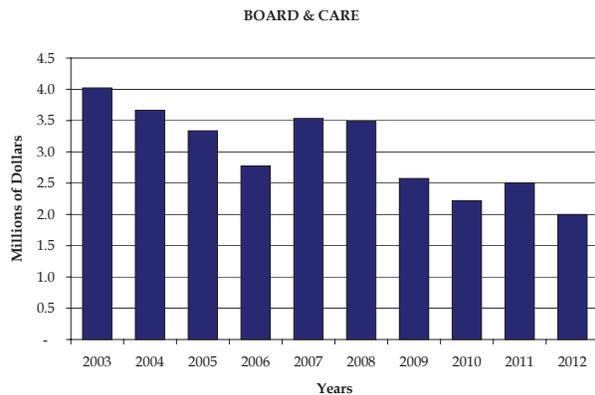
by design, as compared to the 2011 budget that planned for the use of \$11.5 million in reserves. The use of reserves in the 2012 budget is attributed to the \$1.8 million net decrease in reserves in the Risk Management Fund; the Delinquent Tax Fund is budgeted to use \$0.8 million in reserves; the Correction & Detention Fund is budgeted to use \$0.4 million in reserves; and the Senior Services Fund is budgeted to use \$0.3 million in reserves.

**Revenue Discussion
by Fund**

General Fund

Board and Care

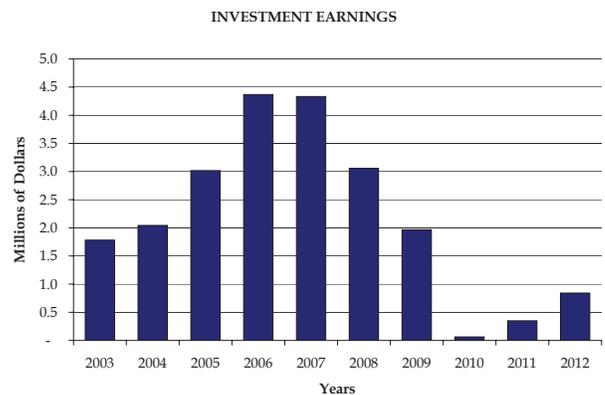
Board and Care is reimbursement for housing inmates for the State and other local agencies. The charges are set at an established rate per day, times the number of days the inmate served in jail. The budget for 2012 is \$2.0 million; this represents a 9.1% decrease from the 2011 projection of \$2.2 million.



Investment Earnings

This source represents interest earned on investments. The State of Michigan sets allowable investment standards. Interest earnings are contingent on interest rates and the County's investment balances. The General Fund investment balance has steadily decreased in recent years, while interest rates declined dramatically between 2000 and 2003, resulting in significant declining investment earnings. In June 2004, the Treasurer earned 1.7% on pooled investments. By June 2005, interest rates increased to 3.0%. Short term interest rates averaged 4.6% in 2006; 5.1% in 2007; 3.9% in 2008; 2.1% in 2009; 1.1% in 2010. Interest earnings for 2012 are projected at \$0.9 million. The General Fund earned \$0.1 million on its investments in 2010 and

is expected to take in approximately \$0.8 million for 2012.



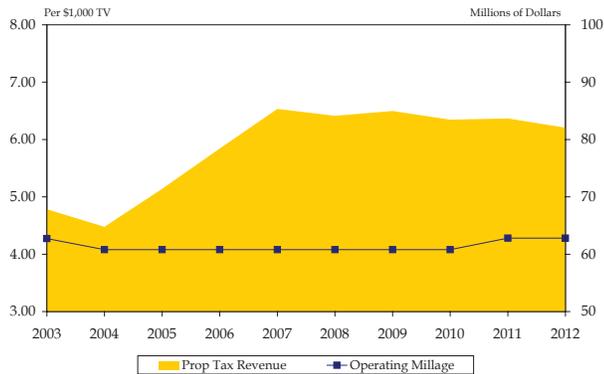
Property Tax Revenue

Property Tax is the primary source of revenue for the County's General Fund. Property tax revenue is based on four variables: taxable valuation, the operating millage, delinquencies, and tax abatement/capture programs initiated by local governmental units. The taxable valuation is based on the assessed property valuation of agricultural, commercial, industrial, and residential parcels, both real and personal property. The County's maximum operating millage rate is fixed, subject only to rollback based on the "Headlee" provisions in the state constitution. Application of the authorized millage rate to current taxable valuation produces the total gross tax levy. After recognition of exemption for the taxable valuation of properties located in renaissance zones/industrial facility tax districts, changes in delinquencies, and capture of tax increments by local governments, the County's net tax levy is determined.

Michigan Public Act 357 of 2004 changed the collection schedule for the operating property tax levy. Beginning with the 2005 summer tax levy,

one-third of the county operating property tax levy was billed on July 1, 2005. In 2006, two-thirds of the operating tax levy was billed in the summer. In 2007, the entire operating tax levy was billed in the summer. Winter tax bills were reduced each year by the same amount. Special millages are excluded and will continue to be billed in December each year. The excess cash flows derived from acceleration of the property tax levy were placed into a reserve account from which the County used to replace the suspended State Revenue Sharing program distributions. Once the reserve account was depleted, the State Revenue Sharing program was reinstated at a reduced rate.

PROPERTY TAX REVENUE & MILLAGE RATES



The estimated FY 2012 operating millage rate is 4.2803 mills per \$1,000 of taxable value, this is unchanged from the FY 2011 rate. The correctional facility millage for FY 2012 is 0.7893, this is also unchanged from the FY 2011 rate. The senior services millage, for FY 2012, is 0.3244 mills and is unchanged from the FY 2011 rate. The total estimated millage levy for FY 2012 is 5.3940 mills per \$1,000 of taxable value. This rate represents no change from the FY 2011 millage.

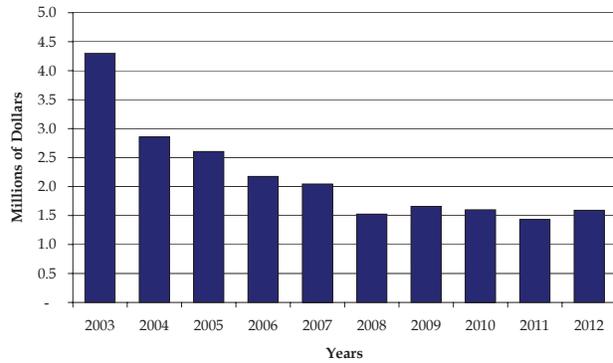
The County's taxable valuation decreased from \$21.007 billion in tax year 2010 to \$20.506 billion in tax year 2011 or 2.4%. It is estimated that the taxable valuation will decrease to \$19.989 billion, or 2.5% in tax year 2012. The entire 2012 operating levy, or 4.2803 mills, is applied to the 2012 estimated taxable value of \$19.989 billion to generate \$82.1 million (after set-aside for tax capture and delinquencies) in property tax revenue.

Real Estate Recording Fee

The County charges recording fees for documents as a result of property being bought, sold, and refinanced. The level of activity steadily increased significantly between 2000 and 2003 in Kent County as a result of low interest rates. Activity leveled

off, along with the interest rates, in 2004. The 2012 budget is \$1.6 million, which is a 4.6% increase from the 2011 budget of \$1.5 million and an 11.2% increase over the fiscal year 2011 projection of \$1.4 million.

REAL ESTATE RECORDING FEE

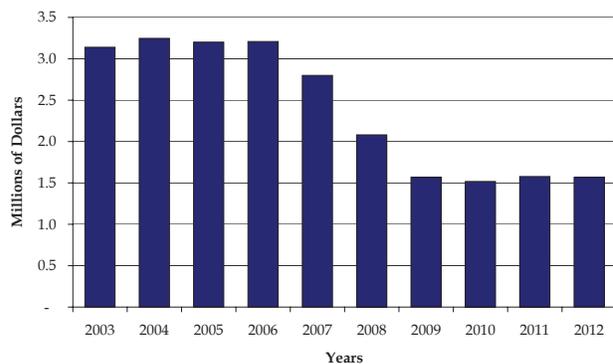


Real Estate Transfer Tax

All real estate changing ownership for a monetary consideration is charged a transfer tax of \$8.60 per \$1,000 of sale value. The County's portion of the tax rate is \$1.10 per \$1,000 of sale value, while the State's portion of the tax rate is \$7.50 per \$1,000 of sale value. The economy and mortgage rates influence Real Estate Transfer Tax.

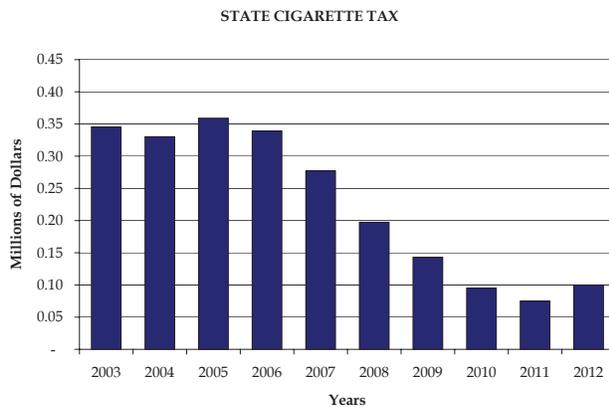
There was a dip in 2000 for real estate transactions due to relatively high mortgage rates and higher unemployment rates. Activity leveled off, along with the interest rates, in 2003. Activity began to decline in 2007 and was significantly reduced in 2008 due to increased unemployment rates and its impact on the real estate market. The 2012 General Fund revenue from County transfer tax is budgeted at \$1.6 million, a 4.4% increase from the \$1.5 million budgeted in 2011. However, it is estimated that receipts for 2011 actual activity will be \$1.6 million.

REAL ESTATE TRANSFER TAX



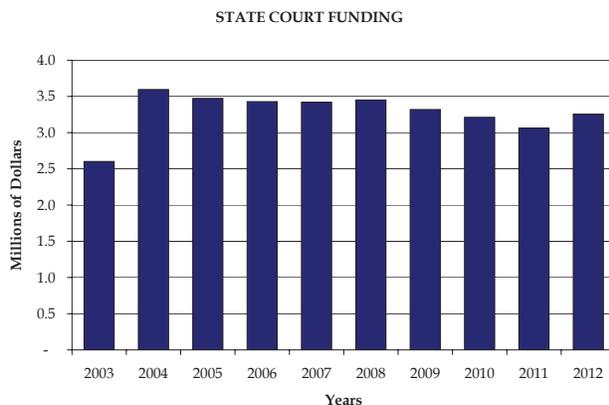
State Cigarette Tax

The Cigarette tax is earmarked at a rate of \$.04/ pack of cigarettes sold for all Michigan counties. This accumulated tax revenue is distributed to counties based on a distribution rate determined by the State of Michigan’s population and the County’s population as of the 2000 census. By state law, out of every \$17 of the tax revenue, \$11 is allocated to preventive health; \$5 is allocated to public safety; and \$1 is allocated to the General Fund. This revenue stream started to decline in 2002, and continues to decline. The budget for 2012 is \$100,000, this is a 398.8% increase over the 2011 adopted budget of \$20,050. It is estimated that Cigarette Tax distributions for fiscal year 2011 will be \$75,000.



State Court Funding

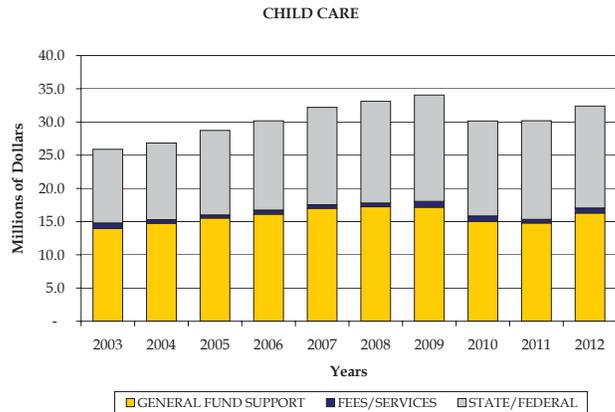
PA 374 of 1996 established the Court Equity Fund to provide funding to the state’s 83 counties for support of local trial court operations. Distributions from this fund are made quarterly within the state fiscal year and fluctuate with the amount of trial court revenue deposits available for disbursement each quarter. Distributions from the Court Equity Fund for fiscal year 2011 were budgeted at \$3.4 million. The 2012 distributions are budgeted at \$3.3 million and is a 6.2% increase over the 2011 estimated receipts of \$3.1 million.



Non-General Fund

Child Care

In 2012, it is estimated that the Child Care funds will receive 47.4% of its revenue from the State and Federal government and 2.3% from fees and services charged by the County for various activities. The remaining 50.3% in funding comes from the County General Fund.



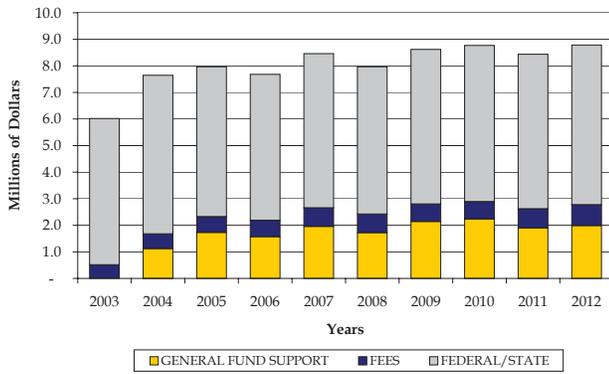
Friend of the Court

The Friend of the Court (FOC) is part of the judiciary, specific to the Circuit Court. Its duties are set forth in a number of statutes, including, but not limited to, paternity establishment, child custody and support and visitation enforcement. FOC funding comes from four sources: State and Federal reimbursement; Incentive Fees; fees and services; and General Fund Support. State and Federal revenue is expected to account for 68.4% or \$6.0 million of the total FOC revenue for 2012.

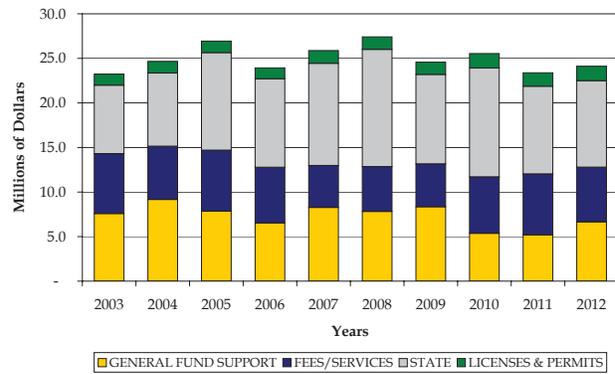
This source reimburses for expenses incurred while working with Title IV-D enforcement cases, which are those cases in which the recipient of support receives Temporary Assistance to Needy Families (TANF) benefits and requests in writing enforcement action by the FOC. Included in the revenue from the State is the reimbursement made to each FOC office as an incentive to pursue collections of support in cases where the support recipient has been a TANF recipient.

The FOC charges for various fees and services including filing fees, service fees, and record copy fees. Approximately 8.9% or \$785,000 of FOC revenue for 2012 comes from FOC fees. The remaining \$2.0 million or approximately 22.7% of FOC funding will come from the County General Fund.

FRIEND OF THE COURT



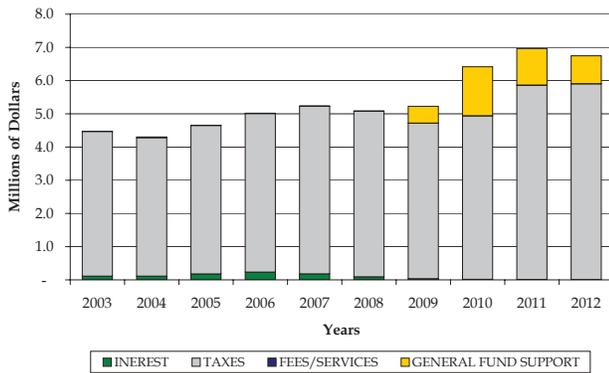
HEALTH DEPARTMENT



Lodging Excise Tax

The County Treasurer is responsible for the collection and administration of the Kent County Lodging Excise Tax, by appointment of the Board of Commissioners. For 2012, approximately 87.4% of Excise Tax revenue comes from transient guest hotel/motel lodging tax; 12.5% comes from General Fund support; 0.15% is earned interest income; and 0.02% is received from fees and penalties.

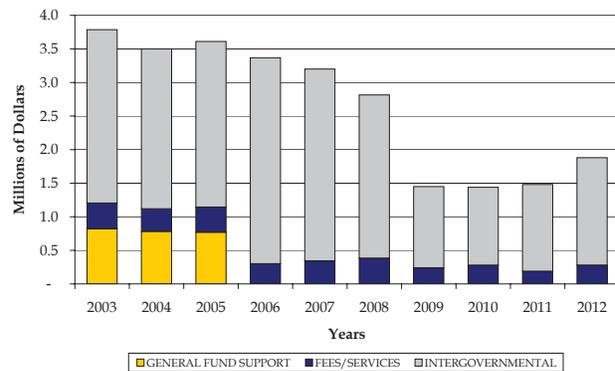
EXCISE TAX



Social Welfare

The Department of Human Services (DHS) is responsible for the administration of social service programs and the distribution of funds as appropriated by the State Legislature for public assistance grants. The State of Michigan reimburses all expenditures for such programs to the County. In addition, the General Fund furnishes supplemental assistance in areas such as hospitalization and other special programs. For 2012, approximately 85.1% of the revenue comes from intergovernmental sources, and the remaining 14.9% comes from various other fees and services.

SOCIAL WELFARE



Health Department

The County Public Health Department provides various health services including hearing and vision testing, breast cancer control, immunizations, health education, disease prevention, substance abuse prevention, animal control, food licenses, septic tank & well permits, dog licenses, and inspections.

For fiscal year 2012, approximately 6.7% of the Health Department’s revenue comes from licenses & permits, 40.2% of funding comes from the State of Michigan and Federal government, 25.4% comes from fees, services, reimbursements, and other contributions, while the remaining 27.6% of funding is from General Fund support.

Revenue History by Fund

(Net Use of Fund Balance)

| Fund | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|---|--------------------|--------------------|--------------------|--------------------|
| General Fund | 86,601,152 | 84,499,582 | 85,924,850 | 83,551,225 |
| Capital Improvement Program | 4,108,167 | 3,200,000 | - | - |
| Correction & Detention Millage | 16,624,828 | 16,609,672 | 16,177,346 | 15,680,481 |
| Delinquent Tax Fund | 6,144,335 | 6,236,700 | 4,603,000 | 4,711,000 |
| Lodging Excise Tax | 4,684,675 | 4,923,974 | 4,592,000 | 5,893,750 |
| Senior Millage | 6,845,590 | 6,826,247 | 6,616,368 | 6,386,118 |
| Taxes Sub-total | 125,008,748 | 122,296,175 | 117,913,564 | 116,222,574 |
| General Fund | 129,450 | 102,132 | 110,800 | 97,860 |
| Health Department | 1,376,145 | 1,624,421 | 1,543,053 | 1,622,718 |
| Special Projects | 63,270 | 63,450 | 70,000 | 70,000 |
| Licenses & Permits Sub-total | 1,568,865 | 1,790,003 | 1,723,853 | 1,790,578 |
| General Fund | 8,956,496 | 9,033,733 | 16,675,748 | 19,556,495 |
| Aeronautics | 2,164,002 | 5,726,827 | 4,000,000 | 4,700,000 |
| Building Authority Debt Service | - | 784,977 | 770,006 | 770,006 |
| Capital Improvement Program | 2,208,983 | 126,189 | - | - |
| Child Care | 9,425,100 | 9,044,043 | 9,726,024 | 9,407,619 |
| Community Development | 2,164,524 | 4,255,244 | 2,344,228 | 2,205,853 |
| DHS Child Care | 6,599,217 | 5,263,896 | 6,882,049 | 5,942,319 |
| DHS Social Welfare | 1,210,491 | 1,159,827 | 1,340,000 | 1,600,000 |
| Fire Commission | 194,223 | 187,074 | 165,627 | 225,652 |
| Friend of the Court | 5,819,758 | 5,875,586 | 6,218,002 | 6,008,928 |
| Health Department | 10,038,973 | 12,208,084 | 9,986,422 | 9,705,921 |
| Housing Commission | 2,537,223 | 2,900,520 | 2,934,530 | 3,239,438 |
| Public Works | 630,829 | 637,044 | 642,805 | 646,375 |
| Shelter Plus Care | 949,881 | 922,644 | 1,342,860 | 1,308,276 |
| Special Projects | 3,368,520 | 5,104,285 | 3,382,299 | 3,652,457 |
| Veteran's Trust Fund | 70,548 | 64,196 | 75,000 | 105,000 |
| Intergovernmental Sub-total | 56,338,767 | 63,294,167 | 66,485,600 | 69,074,339 |
| General Fund | 17,228,038 | 17,142,184 | 18,388,919 | 18,301,322 |
| Aeronautics | 16,906,158 | 23,047,011 | 21,141,882 | 24,237,876 |
| Central Dispatch Collection | 5,177,226 | 3,980,410 | 4,550,000 | 4,375,000 |
| Child Care | 191,977 | 201,875 | 210,000 | 210,000 |
| Delinquent Tax Fund | 714,027 | 645,494 | 652,500 | 791,000 |
| Friend of the Court | 655,824 | 652,148 | 790,400 | 784,000 |
| Health Department | 814,732 | 879,339 | 893,705 | 1,105,652 |
| Lodging Excise Tax | 530 | 494 | 500 | 500 |
| Public Works | 35,392,768 | 37,392,310 | 33,266,824 | 31,011,538 |
| Register of Deeds Automation Fund | 558,952 | 532,881 | 550,000 | 535,000 |
| Risk Management & Insurance | 1,266,891 | 1,093,279 | 900,000 | 1,111,000 |
| Special Projects | 4,286,844 | 4,127,215 | 165,000 | 165,000 |
| Charges for Services Sub-total | 83,193,966 | 89,694,639 | 81,509,730 | 82,627,888 |
| General Fund | 176,319 | 108,154 | 166,500 | 115,160 |
| Aeronautics | 7,446 | 2,649 | 5,000 | 5,000 |
| Drug Law Enforcemnt Fund | 296,123 | 337,893 | 544,146 | 494,146 |
| Friend of the Court | 900 | 2,193 | 1,000 | 1,000 |
| Health Department | 135,767 | 143,986 | 142,000 | 155,143 |
| Lodging Excise Tax | 1,999 | 1,838 | 1,000 | 1,000 |
| Special Projects | 52,099 | 43,868 | 93,403 | 48,048 |
| Fines and Forfeitures Sub-total | 670,652 | 640,581 | 953,049 | 819,497 |

Continued on the following page

Revenue Discussion

Continued from previous page

| Fund | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | 1,966,576 | 62,905 | 887,500 | 842,100 |
| Aeronautics | 428,770 | 147,823 | 235,550 | 155,000 |
| Building Authority Construction | 221,712 | 379,911 | - | - |
| Building Authority Debt Service | 2,665 | 3,174 | - | - |
| Central Dispatch Collection | 10,807 | 2,960 | - | - |
| Correction & Detention Millage | 219,708 | 90,343 | 56,250 | 80,000 |
| Delinquent Tax Fund | 1,099,216 | 24,185 | 401,500 | 323,700 |
| Drug Law Enforcemnt Fund | 9,572 | 3,893 | - | - |
| Fire Commission | 2,359 | 1 | 1,750 | 100 |
| Housing Commission | 12,588 | 4,960 | - | - |
| Kent County Capital Improvement Fund | 56,081 | 1,441 | - | - |
| Kent County Debt Service Fund | (1,151) | (288) | - | - |
| Lodging Excise Tax | 33,595 | 15,695 | 5,000 | 10,000 |
| Public Works | 1,377,132 | 267,163 | 946,275 | 538,145 |
| Register of Deeds Automation Fund | 33,649 | 7,900 | 25,000 | 5,000 |
| Revenue Sharing Reserve Fund | 375,002 | (59,438) | - | - |
| Risk Management & Insurance | 213,017 | 57,631 | 109,000 | 72,700 |
| Senior Millage | 80,159 | 31,613 | 45,000 | 30,000 |
| Special Projects | 72,666 | 81,066 | 800 | 500 |
| Investment Earnings Sub-total | 6,214,123 | 1,122,938 | 2,713,625 | 2,057,245 |
| General Fund | 12,346,696 | 12,758,539 | 14,111,281 | 12,993,248 |
| Aeronautics | 1,164,517 | 1,125,816 | 160,000 | 160,000 |
| Capital Improvement Program | 14,580 | 20,500 | 94,050 | - |
| Child Care | 562,520 | 381,354 | 450,000 | 450,000 |
| Community Development | 119,849 | 869,754 | 75,000 | 75,000 |
| DHS Child Care | 1,138 | 153,220 | 15,000 | - |
| DHS Social Welfare | 239,362 | 279,903 | 280,000 | 280,000 |
| Fire Commission | 172,836 | 159,388 | 142,000 | - |
| Health Department | 3,508,764 | 4,874,351 | 4,588,451 | 4,403,135 |
| Risk Management & Insurance | 21,677,490 | 20,827,151 | 19,537,902 | 19,251,400 |
| Special Projects | 8,461 | 2,972 | 1,667,562 | 1,804,411 |
| Reimbursements Sub-total | 39,816,212 | 41,452,949 | 41,121,246 | 39,417,194 |
| General Fund | 4,171,137 | 3,178,726 | 4,663,858 | 4,730,132 |
| Aeronautics | 12,665,258 | 13,707,403 | 12,966,259 | 14,127,784 |
| Building Authority Construction | 32,798,703 | 6,689,007 | - | - |
| Building Authority Debt Service | 8,525,406 | 8,117,792 | 6,679,247 | 8,114,125 |
| Capital Improvement Program | 2,116,868 | 3,021,825 | - | - |
| Child Care | 35,000 | 70,000 | 77,000 | 90,000 |
| Community Development | - | 215 | - | - |
| Correction & Detention Millage | 5,000 | - | - | - |
| DHS Child Care | 70,000 | - | - | - |
| Fire Commission | 15,398 | 7,000 | 18,000 | 10,000 |
| Health Department | 354,738 | 436,619 | 381,853 | 469,198 |
| Public Works | 1,831,579 | 1,653,016 | 3,249,895 | 3,915,416 |
| Risk Management & Insurance | 45,144 | 87,283 | 30,000 | 30,000 |
| Special Projects | 250,461 | 798,599 | 213,728 | 252,648 |
| Other Revenue Sub-total | 62,884,691 | 37,767,487 | 28,279,840 | 31,739,303 |

Continued on the following page

Continued from previous page

| Fund | 2009 Actual | 2010 Actual | 2011 Adopted | 2012 Adopted |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | 35,241,105 | 30,605,290 | 24,250,000 | 20,302,000 |
| Building Authority Debt Service | 615,782 | 2,793,253 | 1,504,576 | - |
| Capital Improvement Program | 1,854,651 | 723,297 | 2,986,976 | 3,900,128 |
| Child Care | 10,917,959 | 9,883,395 | 10,724,798 | 10,292,915 |
| DHS Child Care | 6,254,462 | 5,155,310 | 6,954,734 | 6,000,000 |
| DHS Social Welfare | | | | |
| Fire Commission | 196,000 | 172,247 | 165,627 | 126,652 |
| Friend of the Court | 2,145,122 | 2,238,990 | 2,066,668 | 1,989,837 |
| Health Department | 8,345,288 | 5,369,279 | 7,029,696 | 6,656,868 |
| Kent County Capital Improvement Fund | 1,990,928 | 145,000 | - | - |
| Kent County Debt Service Fund | 2,123,720 | 2,139,853 | 2,133,346 | 2,119,055 |
| Lodging Excise Tax | 505,662 | 1,474,356 | 2,094,500 | 841,348 |
| Special Projects | 686,657 | 969,755 | 981,142 | 988,993 |
| Transfer In Sub-total | 70,877,336 | 61,670,026 | 60,892,063 | 53,217,796 |
| General Fund | 166,816,968 | 157,491,245 | 165,179,456 | 160,489,542 |
| Aeronautics | 33,336,151 | 43,757,530 | 38,508,691 | 43,385,660 |
| Building Authority Construction | 33,020,415 | 7,068,918 | - | - |
| Building Authority Debt Service | 9,143,854 | 11,699,196 | 8,953,829 | 8,884,131 |
| Capital Improvement Program | 10,303,249 | 7,091,811 | 3,081,026 | 3,900,128 |
| Central Dispatch Collection | 5,188,033 | 3,983,370 | 4,550,000 | 4,375,000 |
| Child Care | 21,132,555 | 19,580,666 | 21,187,822 | 20,450,534 |
| Community Development | 2,284,373 | 5,125,213 | 2,419,228 | 2,280,853 |
| Correction & Detention Millage | 16,849,536 | 16,700,015 | 16,233,596 | 15,760,481 |
| Delinquent Tax Fund | 7,957,577 | 6,906,379 | 5,657,000 | 5,825,700 |
| DHS Child Care | 12,924,817 | 10,572,426 | 13,851,783 | 11,942,319 |
| DHS Social Welfare | 1,449,853 | 1,439,731 | 1,620,000 | 1,880,000 |
| Drug Law Enforcement | 305,694 | 341,786 | 544,146 | 494,146 |
| Fire Commission | 580,816 | 525,710 | 493,004 | 362,404 |
| Friend of the Court | 8,621,603 | 8,768,916 | 9,076,070 | 8,783,765 |
| Health Department | 24,574,407 | 25,536,080 | 24,565,180 | 24,118,635 |
| Housing Commission | 2,549,811 | 2,905,480 | 2,934,530 | 3,239,438 |
| Kent County Capital Improvement Fund | 2,047,009 | 146,441 | - | - |
| Kent County Debt Service Fund | 2,122,570 | 2,139,565 | 2,133,346 | 2,119,055 |
| Lodging Excise Tax | 5,226,461 | 6,416,358 | 6,693,000 | 6,746,598 |
| Public Works | 39,232,308 | 39,949,533 | 38,105,799 | 36,111,474 |
| Register of Deeds Automation | 592,601 | 540,781 | 575,000 | 540,000 |
| Revenue Sharing Reserve | 375,002 | (59,438) | - | - |
| Risk Management & Insurance | 23,202,542 | 22,065,344 | 20,576,902 | 20,465,100 |
| Senior Millage | 6,925,749 | 6,857,859 | 6,661,368 | 6,416,118 |
| Shelter Plus Care | 949,881 | 922,644 | 1,342,860 | 1,308,276 |
| Special Projects | 8,788,978 | 11,191,210 | 6,573,934 | 6,982,057 |
| Veteran's Trust Fund | 70,548 | 64,196 | 75,000 | 105,000 |
| Total Revenues | 446,573,360 | 419,728,963 | 401,592,570 | 396,966,414 |

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Budget Resolution

11-17-11-106

RESOLUTION BY COMMISSIONER MORGAN

WHEREAS, this resolution shall be known as the FY 2012 General Appropriation Act; and

WHEREAS, pursuant to State law, notice of a public hearing on the proposed budget was published in a newspaper of general circulation on October 19, 2011, and a public hearing on the proposed budget was held on November 3, 2011; and

WHEREAS, the Kent County voters authorized millages of 0.7893 mills for correctional facility operations and debt service, and 0.3244 mills for senior services; and

WHEREAS, the Board of Commissioners will authorize in May 2012, a general property tax levy on all real and personal property within the County upon the current tax roll for County general operations; and

WHEREAS, the Kent County Finance and Physical Resources Committee allocated the equivalent of 0.20 mills of the general property tax levy to the CIP Fund; and

WHEREAS, the Kent County Finance and Physical Resources Committee has reviewed the recommended 2012 Budget in detail; and

WHEREAS, estimated total revenues and appropriations for the various funds are recommended as follows:

| <u>Fund</u> | <u>Sources</u> | | <u>Appropriation</u> |
|-----------------------|------------------------|------------------------|-----------------------------|
| | <u>Revenues</u> | <u>Reserves</u> | |
| General Fund | \$160,489,542 | \$ - | \$160,489,542 |
| Special Revenue Funds | 39,635,008 | 634,666 | 40,269,674 |
| Capital Project Funds | 3,900,128 | - | 3,900,128 |
| Internal Service Fund | 20,465,100 | 1,835,129 | 22,300,229 |
| Debt Service Funds | 2,119,055 | - | 2,119,055 |
| Component Unit Funds | 36,111,474 | - | 36,111,474 |
| Proprietary Funds | <u>49,211,360</u> | <u>842,000</u> | <u>50,053,360</u> |
| Total | \$311,931,667 | \$3,311,795 | \$315,243,462 |

NOW, THEREFORE, BE IT RESOLVED that the Kent County Board of Commissioners hereby adopts the FY 2012 Appropriation Act as the official budget for FY 2012; and

BE IT FURTHER RESOLVED that County officials responsible for the appropriations authorized in the act may expend County funds up to, but not to exceed, the total appropriation authorized for each department or activity; and

BE IT FURTHER RESOLVED that the Kent County Board adopts the FY 2012 budgets for the various governmental funds by department or activity as follows:

**2012 General Appropriations Act
County of Kent, Michigan**

| GENERAL FUND | Appropriation | Memorandum | Total |
|---|----------------------|-------------------|----------------------|
| Taxes | \$ 83,551,225 | \$ - | \$ 83,551,225 |
| Licenses & Permits | 97,860 | - | 97,860 |
| Intergovernmental | 19,556,495 | - | 19,556,495 |
| Charges for Services | 18,301,322 | - | 18,301,322 |
| Fines & Forfeitures | 115,160 | - | 115,160 |
| Investment Earnings | 842,100 | - | 842,100 |
| Reimbursements | 12,993,248 | - | 12,993,248 |
| Other | 4,730,132 | - | 4,730,132 |
| Transfers In | 20,302,000 | - | 20,302,000 |
| Total Estimated Revenues | 160,489,542 | - | 160,489,542 |
| Fund Balance Usage (Deposit) | - | - | - |
| Total Estimated Revenues & Other Sources | \$160,489,542 | \$ - | \$160,489,542 |
| Circuit Court | \$ 16,045,701 | \$ - | \$ 16,045,701 |
| Clerk/Register of Deeds | 3,289,340 | - | 3,289,340 |
| District Court | 2,780,533 | - | 2,780,533 |
| Drain Commission | 585,401 | - | 585,401 |
| Facilities Management | 14,365,332 | - | 14,365,332 |
| Fiscal Services | 3,333,398 | - | 3,333,398 |
| Information Technology | 4,932,786 | - | 4,932,786 |
| Policy/Administration | 3,913,237 | - | 3,913,237 |
| Sheriff's Department | 59,387,609 | - | 59,387,609 |
| Treasurer's Office | 1,071,940 | - | 1,071,940 |
| Parks Department | 3,860,223 | - | 3,860,223 |
| Probate Court – Mental & Estate Division | 1,288,382 | - | 1,288,382 |
| Probation | 49,632 | - | 49,632 |
| Intergovernmental | 4,762,429 | - | 4,762,429 |
| DHS Social Welfare | 614,813 | - | 614,813 |
| Bureau of Equalization | 1,406,219 | - | 1,406,219 |
| Human Resources | 1,753,011 | - | 1,753,011 |
| Prosecutor's – Criminal/Juvenile | 5,921,240 | - | 5,921,240 |
| Cooperative Extension Service | 480,000 | - | 480,000 |
| Medical Examiner | 1,165,130 | - | 1,165,130 |
| Veterans' Affairs Department | 262,133 | - | 262,133 |
| John Ball Zoological Gardens | 4,133,560 | - | 4,133,560 |
| Transfers Out | 31,857,493 | - | 31,857,493 |
| Total Appropriations before Lapse | 166,989,542 | - | 166,989,542 |
| Estimated Appropriation Lapse | (6,500,000) | - | (6,500,000) |
| Total Appropriations | \$160,489,542 | \$ - | \$160,489,542 |

**2012 General Appropriations Act
County of Kent, Michigan**

| SPECIAL REVENUE FUNDS | Appropriation | Memorandum* | Total Appropriation |
|---|----------------------|---------------------|--------------------------------|
| Taxes | \$27,960,349 | \$ - | \$ 27,960,349 |
| Licenses & Permits | 70,000 | 1,622,718 | 1,692,718 |
| Intergovernmental | 2,308,354 | 37,856,671 | 40,165,025 |
| Charges for Services | 5,075,500 | 2,099,652 | 7,175,152 |
| Fines & Forfeitures | 495,146 | 204,191 | 699,337 |
| Investment Earnings | 125,600 | - | 125,600 |
| Reimbursements | 2,083,411 | 4,929,135 | 7,012,546 |
| Other | 260,148 | 561,698 | 821,846 |
| Transfers In | 1,256,500 | 25,640,113 | 26,896,613 |
| Total Estimated Revenues | 39,635,008 | 72,911,178 | 112,546,186 |
| Fund Balance Usage (Deposit) | 634,666 | 4,106 | 638,772 |
| Total Estimated Revenues & Other Sources | \$40,269,674 | \$72,915,284 | \$113,184,958 |
| Fire Commission | \$ 253,304 | \$ - | \$ 253,304 |
| Friend of the Court | - | 8,783,765 | 8,783,765 |
| Health Department | - | 24,118,635 | 24,118,635 |
| Lodging Excise Tax | 6,984,756 | - | 6,984,756 |
| Correction & Detention Millage | 16,151,618 | - | 16,151,618 |
| Senior Millage | 6,691,118 | - | 6,691,118 |
| Register of Deeds Automation Fund | 539,994 | - | 539,994 |
| Central Dispatch Collection | 4,375,000 | - | 4,375,000 |
| Drug Law Enforcement Fund | 271,663 | - | 271,663 |
| Community Development / Shelter Plus Care | - | 3,589,129 | 3,589,129 |
| Child Care | - | 20,450,534 | 20,450,534 |
| DHS Social Welfare / DHS Child Care | 1,720,000 | 11,942,319 | 13,662,319 |
| Veteran's Trust | - | 105,000 | 105,000 |
| Parks – Kent Trails | 2,000 | - | 2,000 |
| SP – Circuit Court Com Corrections Admin | - | 1,013,643 | 1,013,643 |
| SP – Circuit Court Com Corrections Grant | - | 249,275 | 249,275 |
| SP – Circuit Court Family Counseling | 70,000 | - | 70,000 |
| SP – Circuit Court JABG | - | 50,058 | 50,058 |
| SP – Circuit Court Juv Accountability Donations | - | 6,606 | 6,606 |
| SP – Drain Commission Special Assessment | 76,862 | - | 76,862 |
| SP – FM Fallasburg Dam | 4,000 | - | 4,000 |
| SP – Cooperative Extension Ag Preservation | 429,286 | - | 429,286 |
| SP – FOC Access & Visitation Grant | - | 15,000 | 15,000 |
| SP – FOC REACH Grant | - | 162,388 | 162,388 |
| SP – Prosecutor's Cooperative Reimbursement | - | 1,804,990 | 1,804,990 |
| SP – Remonumentation Program | 196,702 | - | 196,702 |
| SP – Courthouse Security | 1,265,880 | - | 1,265,880 |
| SP – Sheriff 82 Ionia Security | 227,506 | - | 227,506 |
| SP – Sheriff District Court Security | 187,189 | - | 187,189 |
| SP – Sheriff Park Security | 117,184 | - | 117,184 |
| SP – Sheriff Drug Enforcement | - | 109,595 | 109,595 |
| SP – Sheriff Gifts DARE | 5,000 | - | 5,000 |
| SP – Sheriff Gifts Jail | 199,800 | - | 199,800 |
| SP – Sheriff Gifts Honor Camp | 128,500 | - | 128,500 |
| SP – Sheriff Local Correction Officers Train | 291,312 | - | 291,312 |
| SP – Sheriff Michigan Dispatch Training | 45,000 | - | 45,000 |
| SP – Sheriff Michigan Justice Training | 36,000 | - | 36,000 |
| SP – Sheriff Secondary Road Patrol | - | 514,347 | 514,347 |
| Total Appropriations | \$40,269,674 | \$72,915,284 | \$113,184,958 |

*These Memorandum Budgets were previously appropriated by the Kent County Board of Commissioners via resolutions 06-23-11-44, 06-23-11-46, 06-23-11-56, 06-23-11-57, and 09-22-11-80.

**2012 General Appropriations Act
County of Kent, Michigan**

| CAPITAL PROJECT FUNDS | Appropriation | Memorandum | Total Appropriation |
|---|----------------------|--------------------|--------------------------------|
| Transfer In | \$3,900,128 | - | \$3,900,128 |
| Total Estimated Revenues | 3,900,128 | - | 3,900,128 |
| Fund Balance Usage (Deposit) | - | - | - |
| Total Estimated Revenues & Other Sources | \$3,900,128 | \$ - | \$3,900,128 |
| Capital Improvement Program | \$3,900,128 | \$ - | \$3,900,128 |
| Building Authority Construction | - | - | - |
| Bond Capital Improvement | - | - | - |
| Total Appropriations | \$3,900,128 | \$ - | \$3,900,128 |
| | | | |
| INTERNAL SERVICE FUND | Appropriation | Memorandum | Total Appropriation |
| Charges for Services | \$ 1,111,000 | \$ - | \$ 1,111,000 |
| Investment Earnings | 72,700 | - | 72,700 |
| Reimbursements | 19,251,400 | - | 19,251,400 |
| Other | 30,000 | - | 30,000 |
| Total Estimated Revenues | 20,465,100 | - | 20,465,100 |
| Fund Balance Usage (Deposit) | 1,835,129 | - | 1,835,129 |
| Total Estimated Revenues & Other Sources | \$22,300,229 | \$ - | \$22,300,229 |
| Appropriations | | | |
| Risk Management | \$22,300,229 | \$ - | \$22,300,229 |
| Total Appropriations | \$22,300,229 | \$ - | \$22,300,229 |
| | | | |
| DEBT SERVICE FUNDS | Appropriation | Memorandum* | Total Appropriation |
| Intergovernmental | \$ - | \$ 770,006 | \$ 770,006 |
| Other | - | 8,114,125 | 8,114,125 |
| Transfers In | 2,119,055 | - | 2,119,055 |
| Total Estimated Revenues | 2,119,055 | 8,884,131 | 11,003,186 |
| Fund Balance Usage (Deposit) | - | - | - |
| Total Estimated Revenues & Other Sources | \$2,119,055 | \$8,884,131 | \$11,003,186 |
| Building Authority Debt Service Fund | \$ - | \$8,884,131 | \$8,884,131 |
| Debt Service Fund | 2,119,055 | - | 2,119,055 |
| Total Appropriations | \$2,119,055 | \$8,884,131 | \$11,003,186 |

*The Building Authority Debt Service Memorandum Budget was previously appropriated by the Kent County Building Authority.

**2012 General Appropriations Act
County of Kent, Michigan**

| COMPONENT UNIT FUNDS | Appropriation | Memorandum* | Total Appropriation |
|---|----------------------|---------------------|--------------------------------|
| Intergovernmental | \$ 646,375 | \$ 3,239,438 | \$ 3,885,813 |
| Charges for Services | 31,011,538 | - | 31,011,538 |
| Investment Earnings | 538,145 | - | 538,145 |
| Other | 3,915,416 | - | 3,915,416 |
| Total Estimated Revenues | 36,111,474 | 3,239,438 | 39,350,912 |
| Fund Balance Usage (Deposit) | - | - | - |
| Total Estimated Revenues & Other Sources | \$36,111,474 | \$ 3,239,438 | \$39,350,912 |
| Housing Commission | \$ - | \$ 3,239,438 | \$ 3,239,438 |
| Public Works | 36,111,474 | - | 36,111,474 |
| Total Appropriations | \$36,111,474 | \$ 3,239,438 | \$39,350,912 |

*The Housing Commission's Memorandum Budget was previously appropriated by the Kent County Board of Commissioners via the signature approval of the Kent County Board Chair.

| PROPRIETARY FUNDS | Appropriation | Memorandum | Total Appropriation |
|---|----------------------|-------------------|--------------------------------|
| Taxes | \$ 4,711,000 | \$ - | \$ 4,711,000 |
| Intergovernmental | 4,700,000 | - | 4,700,000 |
| Charges for Services | 25,028,876 | - | 25,028,876 |
| Fines & Forfeitures | 5,000 | - | 5,000 |
| Investment Earnings | 478,700 | - | 478,700 |
| Reimbursements | 160,000 | - | 160,000 |
| Other | 14,127,784 | - | 14,127,784 |
| Total Estimated Revenues | 49,211,360 | - | 49,211,360 |
| Fund Balance Usage (Deposit) | 842,000 | - | 842,000 |
| Total Estimated Revenues & Other Sources | \$50,053,360 | \$ - | \$50,053,360 |
| Aeronautics | \$43,385,660 | \$ - | \$43,385,660 |
| Delinquent Tax Fund | 6,667,700 | - | 6,667,700 |
| Total Appropriations | \$50,053,360 | \$ - | \$50,053,360 |

BE IT FURTHER RESOLVED that appropriations made for the available balances and outstanding encumbrances at fiscal year end for grants are continued in full force and effect and shall carry over to successive fiscal years until the grants are completed or otherwise terminated; and

BE IT FURTHER RESOLVED that appropriations made for the available balances and outstanding encumbrances at fiscal year end for capital projects are continued in full force and effect and shall carry over to successive fiscal years until the projects are completed or otherwise terminated; and

BE IT FURTHER RESOLVED that appropriations made for the outstanding purchase orders and contractual encumbrances at fiscal year end in the operating funds are continued in full force and effect and shall carry over to successive fiscal years until the projects are completed or otherwise terminated; and

BE IT FURTHER RESOLVED that the County Administrator/Controller shall provide the Kent County Finance and Physical Resources Committee, at the end of each fiscal quarter, a report of year to date revenues and expenditures compared to the budgeted amounts in the various funds of the County; and

BE IT FURTHER RESOLVED that this resolution supersedes all previous resolutions related to the General Fund and Lodging Excise Tax Fund appropriations and/or commitments; and

BE IT FURTHER RESOLVED that whenever it appears to the Kent County Administrator/Controller or the Kent County Board that the actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such fund were based, or when it appears that expenditures will exceed an appropriation, the County Administrator/Controller shall present to the County Board recommendations to prevent expenditures from exceeding available revenues and reserves or appropriations for the budget year. Such recommendations may include proposals for reducing appropriations, increasing revenues or a combination thereof.

Commissioner Morgan moved the resolution be adopted.

County Debt

Constitutional Debt Limitation

Article VII, Section 6 of the State Constitution states "No county shall incur any indebtedness which shall increase its total debt beyond 10%, of its assessed valuation." The Notes are included within this debt limitation.

| STATEMENT OF LEGAL DEBT MARGIN - MARCH 31, 2011 | | |
|--|-------------|-------------------|
| 2010 State Equalized Value (SEV) | | \$ 22,577,744,317 |
| Legal Debt Limit (10% of SEV) | | 2,257,774,432 |
| Debt Outstanding * | 455,388,904 | |
| Revenue Bonds - No LTGO Pledge | 42,185,000 | |
| Net Amount Subject to Legal Debt Limit | | 413,203,904 |
| Margin of Additional Debt That Can Be Legally Incurred | | \$ 1,844,570,528 |
| Debt Outstanding as a percentage of 2010 SEV | | <u>1.8%</u> |

* Pending issuance of Series 2011 notes - \$31,500,000

Debt Statement

The following table reflects a breakdown of the County’s direct and overlapping debt as of March 31, 2011 including the Bonds. Bonds or notes designated L.T.G.O. are limited tax pledge bonds or notes.

| Debt Type | Gross | Self-supporting or Portion Paid Directly By Benefited Municipalities | Net | Net Debt | |
|--|-----------------------|--|-------------------------|------------------------------|-------------|
| | | | | Per Capita ⁽¹⁾ | % of SEV |
| <u>Direct Debt</u> | | | | | |
| General Obligation Limited | | | | | |
| Tax Notes ⁽²⁾ | \$ 44,500,000 | \$ 44,500,000 | \$ - | | |
| CIP Bonds (L.T.G.O.) | 19,930,000 | - | 19,930,000 | | |
| County Building Authority (L.T.G.O.) | 111,345,000 | - | 111,345,000 | | |
| Refuse and Solid Waste Bonds (L.T.G.O.) | 11,540,000 | 11,540,000 | - | | |
| Airport Bonds (L.T.G.O.) | 144,130,000 | 144,130,000 | - | | |
| (Revenue) | 42,185,000 | 42,185,000 | - | | |
| Water and Sewer Bonds (L.T.G.O.) | 2,900,000 | 2,900,000 | - | | |
| Drain Bonds (L.T.G.O.) | 9,225,000 | 9,225,000 | - | | |
| County/City Building Authority Bonds (L.T.G.O.) | 69,633,904 | 3,860,000 | 65,773,904 | | |
| Total Direct Debt | \$ 455,388,904 | \$ 258,340,000 | \$ 197,048,904 | \$ 326.99 | 0.9% |
| <u>Overlapping Debt</u> ⁽³⁾ | | | | | |
| Cities, Villages and Townships | | | \$ 225,997,000 | | |
| School Districts | | | 1,214,703,374 | | |
| Community Colleges and Intermediate School Districts | | | 50,877,685 | | |
| Total Overlapping Debt | | | \$ 1,491,578,059 | 2,475.15 | 6.6% |
| Total Direct and Overlapping | | | \$ 1,688,626,963 | \$ 2,802.14 | 7.5% |

(1) Based on 2010 US Census population of 602,622.

(2) Pending issuance of Series 2011 notes - \$31,500,000.

(3) Overlapping debt is the portion of other public debt for which a County taxpayer is liable in addition to the Direct Debt of the County.

Source: Municipal Advisory Council

| Year | DEBT AMORTIZATION SCHEDULE REQUIREMENTS AT MARCH 31, 2011 | | | | | | | | | | | | | Percent Amortized |
|--------------|--|----------------------|-----------------------|--------------------------|---------------------|--------------------------|--------------------------|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------|
| | Tax Notes* | MRF Bonds | City/County | | | | County | | | | | Cumulative Total | | |
| | | | Airport Bonds | Water & Sewer LTGO Bonds | Drain Bonds | Building Authority Bonds | Building Authority Bonds | Capital Improvement Bonds | Total | | | | | |
| 2011 | \$ 36,000,000** | \$ 440,000 | \$ - | \$ 530,000 | \$ 1,275,000 | \$ 4,675,000 | \$ 3,425,000 | \$ 1,305,000 | \$ 47,650,000 | \$ 47,650,000 | \$ 47,650,000 | \$ 47,650,000 | \$ 47,650,000 | 10.5% |
| 2012 | 8,500,000 | 450,000 | 4,645,000 | 550,000 | 1,330,000 | 5,115,000 | 3,555,000 | 1,340,000 | 25,485,000 | 73,135,000 | 73,135,000 | 73,135,000 | 73,135,000 | 16.1% |
| 2013 | - | 460,000 | 5,155,000 | 580,000 | 1,390,000 | 5,585,000 | 5,135,000 | 1,040,000 | 19,345,000 | 92,480,000 | 92,480,000 | 92,480,000 | 92,480,000 | 20.3% |
| 2014 | - | 475,000 | 5,695,000 | 605,000 | 1,190,000 | 6,085,000 | 5,325,000 | 1,070,000 | 20,445,000 | 112,925,000 | 112,925,000 | 112,925,000 | 112,925,000 | 24.8% |
| 2015 | - | 490,000 | 6,305,000 | 635,000 | 1,250,000 | 3,513,370 | 5,530,000 | 1,105,000 | 18,828,370 | 131,753,370 | 131,753,370 | 131,753,370 | 131,753,370 | 28.9% |
| 2016 | - | 505,000 | 6,575,000 | - | 930,000 | 3,455,616 | 5,740,000 | 1,145,000 | 18,350,616 | 150,103,986 | 150,103,986 | 150,103,986 | 150,103,986 | 33.0% |
| 2017 | - | 520,000 | 6,860,000 | - | 970,000 | 3,399,714 | 5,975,000 | 1,185,000 | 18,909,714 | 169,013,700 | 169,013,700 | 169,013,700 | 169,013,700 | 37.1% |
| 2018 | - | 540,000 | 7,185,000 | - | 285,000 | 3,339,653 | 6,225,000 | 1,230,000 | 18,804,653 | 187,818,353 | 187,818,353 | 187,818,353 | 187,818,353 | 41.2% |
| 2019 | - | 565,000 | 7,545,000 | - | 295,000 | 3,303,950 | 6,485,000 | 1,060,000 | 19,253,950 | 207,072,303 | 207,072,303 | 207,072,303 | 207,072,303 | 45.5% |
| 2020 | - | 585,000 | 7,925,000 | - | 310,000 | 3,270,176 | 6,765,000 | 1,110,000 | 19,965,176 | 227,037,479 | 227,037,479 | 227,037,479 | 227,037,479 | 49.9% |
| 2021 | - | 610,000 | 8,310,000 | - | - | 3,232,569 | 7,075,000 | 1,160,000 | 20,387,569 | 247,425,048 | 247,425,048 | 247,425,048 | 247,425,048 | 54.3% |
| 2022 | - | 635,000 | 8,710,000 | - | - | 3,219,531 | 6,620,000 | 1,215,000 | 20,399,531 | 267,824,579 | 267,824,579 | 267,824,579 | 267,824,579 | 58.8% |
| 2023 | - | 660,000 | 9,125,000 | - | - | 3,201,469 | 6,820,000 | 1,270,000 | 21,076,469 | 288,901,048 | 288,901,048 | 288,901,048 | 288,901,048 | 63.4% |
| 2024 | - | 685,000 | 9,575,000 | - | - | 2,433,499 | 7,145,000 | 1,330,000 | 21,168,499 | 310,069,547 | 310,069,547 | 310,069,547 | 310,069,547 | 68.1% |
| 2025 | - | 715,000 | 10,055,000 | - | - | 2,385,378 | 7,465,000 | 785,000 | 21,405,378 | 331,474,925 | 331,474,925 | 331,474,925 | 331,474,925 | 72.8% |
| 2026 | - | 750,000 | 7,785,000 | - | - | 2,344,096 | 7,805,000 | 820,000 | 19,504,096 | 350,979,021 | 350,979,021 | 350,979,021 | 350,979,021 | 77.1% |
| 2027 | - | 785,000 | 8,175,000 | - | - | 2,298,194 | 3,840,000 | 860,000 | 15,958,194 | 366,937,215 | 366,937,215 | 366,937,215 | 366,937,215 | 80.6% |
| 2028 | - | 815,000 | 8,580,000 | - | - | 2,257,832 | 3,985,000 | 900,000 | 16,537,832 | 383,475,047 | 383,475,047 | 383,475,047 | 383,475,047 | 84.2% |
| 2029 | - | 855,000 | 5,270,000 | - | - | 2,211,380 | 4,145,000 | - | 12,481,380 | 395,956,427 | 395,956,427 | 395,956,427 | 395,956,427 | 86.9% |
| 2030 | - | - | 5,535,000 | - | - | 2,172,718 | 2,285,000 | - | 9,992,718 | 405,949,145 | 405,949,145 | 405,949,145 | 405,949,145 | 89.1% |
| 2031 | - | - | 5,810,000 | - | - | 2,134,759 | - | - | 7,944,759 | 413,893,904 | 413,893,904 | 413,893,904 | 413,893,904 | 90.9% |
| 2032 | - | - | 6,100,000 | - | - | - | - | - | 6,100,000 | 419,993,904 | 419,993,904 | 419,993,904 | 419,993,904 | 92.2% |
| 2033 | - | - | 6,405,000 | - | - | - | - | - | 6,405,000 | 426,398,904 | 426,398,904 | 426,398,904 | 426,398,904 | 93.6% |
| 2034 | - | - | 6,725,000 | - | - | - | - | - | 6,725,000 | 433,123,904 | 433,123,904 | 433,123,904 | 433,123,904 | 95.1% |
| 2035 | - | - | 7,065,000 | - | - | - | - | - | 7,065,000 | 440,188,904 | 440,188,904 | 440,188,904 | 440,188,904 | 96.7% |
| 2036 | - | - | 7,415,000 | - | - | - | - | - | 7,415,000 | 447,603,904 | 447,603,904 | 447,603,904 | 447,603,904 | 98.3% |
| 2037 | - | - | 7,785,000 | - | - | - | - | - | 7,785,000 | 455,388,904 | 455,388,904 | 455,388,904 | 455,388,904 | 100.0% |
| Total | \$ 44,500,000 | \$ 11,540,000 | \$ 186,315,000 | \$ 2,900,000 | \$ 9,225,000 | \$ 69,633,904 | \$ 111,345,000 | \$ 19,930,000 | \$ 455,388,904 | |

* Pending issuance of Series 2011 notes - \$31,500,000.

** There will be a principal payment of \$36,000,000 made on April 1, 2011

Debt History

There is no record of default on any obligation of the County.

Short-Term Financing

The County does not issue short-term obligations for cash flow purposes. The County has in the years 1974 through 2010 issued short-term notes in order to establish a Delinquent Tax Revolving Fund. Notes issued in each of these years have been in a face amount, which has been less than the actual real property tax delinquency. The primary security for these notes is the collection of the delinquent taxes pledged to the payment of principal of and interest on the notes issued. The County has pledged its full faith and credit and limited taxing power to the payment of the principal and interest on notes issued. The County may or may not issue notes to fund the Delinquent Tax Revolving Fund in future years. The amount of notes issued in 2007 through 2009 and their outstanding balance as of March 31, 2011 are as follows:

| OUTSTANDING NOTES | | | |
|-------------------|-------------|---------------|---------------------------|
| Tax Year | Year Issued | Notes Issued | Amount Outstanding |
| 2006 | 2007 | \$ 29,000,000 | \$ - |
| 2007 | 2008 | 34,000,000 | - |
| 2008 | 2009 | 36,000,000 | 9,000,000 ⁽¹⁾ |
| 2009 | 2010 | 35,500,000 | 35,500,000 ⁽²⁾ |
| 2010 | 2011 | 31,500,000 | 31,500,000 ⁽³⁾ |

⁽¹⁾ Principal payment of \$9,000,000 made on April 1, 2011.

⁽²⁾ Principal payment of \$27,000,000 made on April 1, 2011.

⁽³⁾ Notes pending issue.

Kent County Employees' Retirement Plan

Plan Description

The County sponsors and administers the Kent County Employees' Retirement Plan (the "Plan"), a single-employer, defined benefit pension plan, which covers all employees of Kent County, except employees of the Road Commission and CMH Authority. The Plan was established and may be amended by the Kent County Board of Commissioners and is administered by the Kent County Employees' Retirement Plan Board. The Plan provides retirement, disability and death benefits to plan members and their beneficiaries. It is accounted for as a separate pension trust fund. Stand-alone financial reports are issued that includes financial statements and required supplementary information for the Plan, which may be obtained from the County of Kent Human Resources Department, 300 Monroe Ave. N.W., Grand Rapids, MI 49503.

Summary of Significant Accounting Policies

I. Basis of Accounting

The financial statements of the Kent County Employees' Retirement Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period which the contributions are due. The County's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administration of the Plan is funded through the Plan's investment earnings.

II. Method Used to Value Investments

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Kent County Employees' Retirement Plan Board of Trustees, with the assistance of a valuation service.

Approximately 30% of the active membership may retire at age 60 with 5 years of service or 25 years of service regardless of age. All other members may retire at age 55 with 15 or more years of credited service. Members are vested after completing 5 years of credited service. For all members, annual regular retirement allowances are determined by multiplying total credited service times 2.5% times final average compensation, with a maximum County financed benefit of 75% of final average compensation. Final average compensation is determined based on the member's highest wages for three consecutive years during the last five years. Retirement options that provide for survivor benefits are available to members. The Plan also provides death and disability benefits. If a member leaves employment or dies before vesting, accumulated member contributions are refunded to the member or designated beneficiary. Members who are vested and terminate their employment have the option of deferring retirement benefits until age 60 or withdrawing their contribution, thereby forfeiting any future benefits.

III. Funding Policy

The contribution requirements of Plan members are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts, and Plan provisions. After

meeting eligibility requirements, active Plan members are required to contribute to the Plan based on their bargaining unit or management group contribution rate. Member rates are either fixed at 6.5% of total salary or variable based on union contracts in place. The variable rate was 6.5% for 2010. The County is required to contribute at actuarially determined rates expressed as a percentage of covered payroll. The County's contribution rate for the year ended December 31, 2010 was 7.15% of projected valuation payroll.

The entry-age actuarial cost method is used to determine plan liabilities. Significant actuarial assumptions used in determining the entry-age actuarial accrued liability include (a) a rate of return on investments of 7% per year compounded annually (b) projected salary increases of 4% attributable to inflation and 0.2% to 5.1% per year depending on age attributable to seniority/merit. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis, with a remaining amortization period of 25 years.

During the year ended December 31, 2010, total contributions of \$13,670,543 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of December 31, 2008. The County contributed \$6,747,873 (7.15% of projected valuation payroll); employees contributed \$6,922,670. The County's contribution consisted of \$8,730,831 for normal cost (9.44% of projected valuation payroll) less \$1,982,958 amortization of the unfunded actuarial accrued liability (-2.47% of projected valuation payroll).

The County had initially contributed the annual required contributions ("ARC"), and thus, has never actually had, or had need to report, a net pension obligation ("NPO"), as required under GASB Statement No. 27 as amended by GASB Statement No. 50.

Schedule of Funding Progress

| <u>Actuarial Valuation Date 12/31</u> | <u>Actuarial Value of Assets</u> | <u>Actuarial Liability (AAL) - Entry Age</u> | <u>Unfunded Actuarial Liability (UAAL)</u> | <u>Funded Ratio</u> | <u>Covered Payroll</u> | <u>UAAL as a Percentage of Covered Payroll</u> |
|---------------------------------------|----------------------------------|--|--|---------------------|------------------------|--|
| 2010 | \$595,338,901 | \$612,634,457 | \$ 17,295,556 | 97.2% | \$92,487,613 | 18.7% |

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Three-Year Trend Information

| <u>Years Ended December 31,</u> | <u>Annual Pension Cost (APC)</u> | <u>Percentage Contributed</u> | <u>Net Pension Obligation</u> |
|---------------------------------|----------------------------------|-------------------------------|-------------------------------|
| 2008 | \$ 5,555,541 | 100% | \$ - |
| 2009 | 5,006,344 | 100 | - |
| 2010 | 6,747,873 | 100 | - |

The schedule of employer contributions, presented as required supplementary information (RSI) following the notes to the financial statements, presents trend information about the amounts contributed to the plan by employers in comparison to the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement No. 50. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

OTHER POST EMPLOYMENT BENEFITS

Plan Description

The County administers a single-employer defined benefit health care plan (the "Plan") accounted for in the VEBA Trust Fund. In addition to the retirement benefits described in Note 15, the Plan provides health insurance benefits to certain retirees or their beneficiaries, which are advance funded on an actuarial basis. The Plan does not prepare separately-issued financial statements.

The County pays a monthly flat dollar subsidy for retirees of up to \$350 per month, depending upon the applicable employee group. In addition, the County provides an implicit subsidy due to having one premium based on a blended rate that treats current employees, retirees, eligible beneficiaries and dependents as one homogeneous group. The implicit subsidy is factored into the actuarial computation of the OPEB liability.

Basis of Accounting

The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Kent County VEBA Board of Trustees, with the assistance of a valuation service. As of December 31, 2010, membership of the Plan consisted of 453 retirees and beneficiaries receiving benefits and 1,689 active plan members.

Funding policy

The contribution requirements of the Plan members and the County are established and may be amended by the County Board of Commissioners, in accordance with County policies, union contracts, and Plan provisions. The Plan covers the Management Pay Plan, both exempt and non-exempt, elected officials, including judges, and nine collective bargaining units. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to pre-fund benefits as determined through the annual actuarial valuation. For the year ended December 31, 2010, the County contributed \$3,360,259, including cash contributions of \$2,194,181 and

an implicit rate subsidy (which did not require cash) of \$1,166,078. Cash payments included \$692,992 for current premiums (approximately 39 percent of total premiums) and an additional \$1,501,189 to prefund benefits. Plan members receiving benefits contributed \$1,092,907, or approximately 61 percent of the total premiums.

Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the Plan was 19.6 percent funded. The actuarial accrued liability for benefits was \$45,864,042, and the actuarial value of assets was \$9,003,067, resulting in an unfunded actuarial accrued liability (UAAL) of \$36,860,975. The covered payroll (annual payroll of active employees covered by the Plan) was \$92,734,218, and the ratio of the UAAL to the covered payroll was 39.7 percent.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2008, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 7.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual health care cost trend rate of 10 percent initially, reduced by decrements to an ultimate rate of 4 percent after ten years. Both rates included a 4.0 percent inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010, was thirty years.

County of Kent

Fiscal Policy - Debt

I. POLICY

1. **Policy:** Kent County shall endeavor to maintain the highest possible credit ratings so borrowing costs are minimized and access to credit is preserved.
2. **Financial Planning and Overview:** Kent County shall demonstrate to rating agencies, investment bankers, creditors, and taxpayers that a prescribed financial plan is being followed. As part of this commitment, the Fiscal Services Department will annually prepare an overview of the County's General Fund financial condition for distribution to rating agencies and other interested parties.

II. PRINCIPLES

1. **Statutory References:** The Kent County Board of Commissioners may establish rules and regulations in reference to managing the interests and business of the County under of Public Act 156 of 1851 [MCLA 46.11(m)].
 - 1.a. **Financing:** Various statutes, including but not limited to Public Act 34 of 2001, (The Revised Municipal Finance Act) [MCLA 141.2101 to 141.2821], as amended, Public Act 327 of 1945 (The Aeronautics Code) [MCLA 259 et seq.], as amended, and Public Act 94 of 1933 (The Revenue Bond Act) [MCLA 141.101-138], as amended, and PA 185 of 1957 [MCLA 123.731-786], as amended, enable the County to issue bonds, notes, and other certificates of indebtedness for specific purposes.
 - 1.b. **Debt Limit: Section 6 of Article 7 of the Michigan Constitution of 1963 states** "No County shall incur any indebtedness which shall increase its total debt beyond 10 percent of its assessed value."
 - 1.c. **Disclosures:** Effective July 3, 1995, the Securities and Exchange Commission (SEC) enacted amendments to Rule 15c2-12 requiring underwriters of municipal bonds to obtain certain representations from municipal bond issuers regarding disclosure of information after the issuance of bonds. The Rule also contains requirements for immediate disclosure of certain events by borrowers.
2. **County Legislative or Historical References:** Resolution 6-26-97-89, adopted by the Board of Commissioners on June 26, 1997, established rules and guidelines for managing the financial interests of the County. Such a resolution has been adopted annually since 1987.

Page 1 of 2

*Board of Commissioners Resolution No. 05-14-09-50
Name and Revision Number: Debt Policy, Revision 4
Date of Last Review: 8/25/2011
Related Policies: Fiscal Policy on Accounting and Auditing
Approved as to form: Not applicable*

- 2.a. Conflicts:** This document restates, clarifies, expands or alters the rules set forth in the Resolution 6-26-97-89. This Policy and the procedures promulgated under it supersede all previous regulations regarding County debt practices.
- 3. Operational Guidelines - General:** Short-term borrowing to finance operating needs will not be used. Interim financing in anticipation of a definite, fixed source of revenue, such as property taxes, an authorized but unsold bond issue, or an awarded grant, is acceptable. Such tax, bond, or grant anticipation notes should not have maturities greater than three years.
- 4. Operational Guidelines - Additional:** The County Administrator/Controller shall evaluate each proposed financing package and its impact on the County's credit worthiness, and report the evaluation to the Finance and Physical Resources Committee.
- 4.a. Evaluation Requirements:** As part of the review process, the Finance and Physical Resources Committee shall review all aspects of the project and recommend to the Board of Commissioners the most appropriate structure of the debt. Options available include notes, installment contracts, industrial development bonds, general obligation bonds, limited tax general obligation bonds, and revenue bonds.
- 5. Exceptions:** The Board of Commissioners, upon recommendation of the Finance and Physical Resources Committee, may consider requests to waive any requirement or guideline contained in this policy.
- 6. Implementation Authority:** Upon adoption of this Statement of Policy and Principles, the Kent County Board of Commissioners authorizes the County Administrator/Controller to establish any standards and procedures which may be necessary for implementation.
- 7. Periodic Review:** The County Administrator/Controller shall review this policy at least every two years and make any recommendations for changes to the Finance and Physical Resources Committee.

Glossary

A

AAAWM: Area Agency on Aging of West Michigan

ACSET: Area Community Services & Employment Training

Accrual Basis: The recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

Aeronautics Fund: A fund to account for the operation and maintenance of the Kent County Airport. Financing is provided primarily by user charges.

Agency Fund: A fund to account for money held by the County in trust for other local units of government and their political subdivisions as well as some receipts that are not initially allocated to individual funds. As required by accounting principles generally accepted in the United States of America (U. S. GAAP), all monies that accrue to the benefit of the County have been allocated to the appropriate funds within the financial statements. Any balance remaining in the Agency Fund is held in trust for other local units of government including any political subdivisions.

Amortization: To gradually write-off the cost or value.

Appropriation: An authorization by the Board of Commissioners which permits the County to incur obligations and to make expenditures of resources.

Audit: A comprehensive review of the financial operations of the County for that calendar year. The purpose of an audit is to express an opinion on the presentation of the financial statements. In addition, the internal controls over the safekeeping of the assets is tested and recommendations are made for improvements. The audit is performed by certified public accountants (CPA).

Assessed Value: The value placed on real and other property as a basis for levying taxes.

B

Balanced Budget: A budget in which expenditures will not exceed estimated revenues and/or available reserves.

Bond: A written promise to pay a specified sum of money, called the face value or principal, at specified dates, called maturity dates, together with periodic interest at a specified rate. The County incurs bonded debt to pay for the costs of capital improvements.

Bond Capital Improvement Fund: A fund to account for construction projects funded by bonds which currently includes various building and land acquisitions within Kent County.

Budget: A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period; a spending plan that balances revenues and expenditures over a fixed time period - usually a year - and that includes, at least by implication, a work plan.

Budget Adjustment: A procedure to revise a budget appropriation either by Board approval through the adoption of a supplemental appropriation resolution or by the Fiscal Services department's authorization to adjust appropriations within a departmental budget.

Budget Center: A grouping of departments' budgets that are combined to create a cost center for the reporting of revenues and expenses.

Budget Message: A written statement and financial overview of the County presented by the County Administrator.

Building Authority Construction Fund: A fund to account for construction projects of the Building Authority. Financing is provided by bonds, a dedicated millage and the general fund.

Building Authority Debt Service Fund: A fund to account for the retirement of debt related to projects of the Kent County Building Authority which currently includes the correctional facility, sheriff's administration building, courthouse and senior citizens building. Financing for the correctional facility is provided by a dedicated tax millage paid

by County property owners. Financing for the senior citizens building is through a lease with the Area Agency on Aging.

C

CAFR: Comprehensive Annual Financial Report

Capital Expenditure: An outlay for the construction or purchase of a facility that is expected to provide services over a considerable period of time.

Capital Improvements Program (CIP) Budget: A detailed list of capital spending appropriations to be made or incurred in accordance with the Capital Improvement Program from funds subject to the control of the Board of Commissioners; a plan for capital outlays to be incurred over the next six years to meet the capital needs of the County. The lists includes each contemplated project or outlay and specifies the resources or funding estimated to be available to finance them.

Capital Improvement Fund: A fund created to account for all resources to be used for the construction or acquisition of designated fixed assets by a governmental unit except those financed by special assessment, proprietary, or fiduciary funds.

Capital Project Funds: These funds were established to account for construction projects and general public improvements. Financing is provided by bond proceeds, interest income, and transfers from other funds.

CDBG: Community Development Block Grant

Child Care Funds: Funds to account for the care of neglected, abused and delinquent juveniles. Revenues are provided through state reimbursements and General Fund appropriations.

CIP: Capital Improvement Program; see Capital Improvements Program Budget.

CIPRC: Capital Improvement Program Review Committee

CMMS: Computerized Maintenance Management Software

Community Development Fund: A fund to account for the improvement, rehabilitation and preservation of public facilities in target areas as well as the issuance and repayment of rehabilitation loans. Financing is provided by Community Development

Block Grants and program income.

Component Unit Fund: A legally separate governmental unit for whom Kent County remains financially accountable or the nature of the relationship is such that exclusion from the budget would render the document misleading or incomplete.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Correction & Detention Facilities Fund: A fund to account for the proceeds of a dedicated millage levied to pay for operations and debt service related to the expansion of the correction and detention facilities.

D

Debt Service Fund: A fund used to finance and account for the payment of interest and principal on all general long-term debt.

Deficit: The excess of the liabilities of a fund over its assets; the excess of expenditures over revenues during an accounting period or, in the case of proprietary funds, the excess of expenses over revenues during an accounting period.

Delinquent Tax Revolving Fund: A fund to account for money advanced by the County to other local taxing units and various county funds to pay for their delinquent taxes. Revenues are generated by the collection of the delinquent taxes.

Depreciation: Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence; the portion of the cost of a fixed asset, other than a wasting asset, charged as an expense during a particular period.

DHS: Department of Human Services, formerly known as Family Independence Agency (FIA)

DMC: Disproportionate Minority Contacts

DPW: Department of Public Works

Drug Law Enforcement Fund: A fund to account for the receipt and expenditures of monies generated through application of various drug forfeiture laws.

DTAN: Delinquent Tax Anticipation Note

E

Encumbrance: Any commitment of funds against an appropriation. It may be in the form of a purchase order or contract. Encumbrance accounting is formally integrated into the accounting system for expenditure control purposes. Until the goods or services are received and become a liability, the commitment is referred to as an encumbrance.

Enterprise Fund: A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water, gas and electric utilities; airports; parking garages, or transit systems). In this case the governing body intends that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; a fund established because the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriated for capital maintenance, public policy, management control, accountability, or other purposes.

Expenditure: A decrease in net financial resources; the payment of cash on the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss. The expenditure categories include Personnel, Commodities, Contractual Services, Capital Outlay, Other, CIP and Transfers Out.

ERS: Electronic Reporting System

F

FEMA: Federal Emergency Management Agency

Fiduciary Fund: The trust and agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units and/or other funds.

FIA: Family Independence Agency - currently Department of Human Services (DHS)

Fire Prevention Fund: A fund to account for the acquisition of fire trucks for participating local units of government. Financing is provided by participating units and General Fund appropriations.

Fiscal Year: A twelve month period to which the Operating Budget applies and at the end of which the County determines its financial position and results of operation. Kent County's fiscal year is the

calendar year.

Fixed Asset: Long-lived tangible asset obtained or controlled as a result of past transactions, events, or circumstances. Fixed assets include buildings, equipment, improvements other than buildings and land.

FOC: Friend of the Court

Friend of the Court Fund: A fund to account for revenues and expenditures of the Friend of the Court office required in the 1982 Public Acts 294, 295, 296, 297, and 298.

FTE: Full-time Equivalent position. A full or part-time position converted to a decimal equivalent of a full-time position based on 2,080 hours per year (40 hours per week).

Fund: A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance: The excess of the assets of a fund over its liabilities, reserves and carryover.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

G

GAAP: Generally Accepted Accounting Principals. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principals.

GASB: Governmental Accounting Standards Board. The authoritative accounting and financial reporting entity that also interprets the financial transactions of governments.

General Fixed Assets Group: A self-balancing group of accounts established to account for fixed assets of a government not accounted for through specific proprietary funds or trust funds.

General Fund: The fund used to account for all financial resources, except those required to be accounted for in another fund.

GFIA: Gerald R. Ford International Airport

GFOA: Government Finance Officers Association

GIS: Geographic Information System

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. They distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, health and welfare, cultural and recreational, and judicial. The business-type activities of the County include the Gerald R. Ford International Airport and the Delinquent Tax Revolving Fund. In addition, they include not only the County itself (known as primary government), but also legally separate entities such as the Department of Human Services, Department of Public Works, Road Commission, Drainage Districts, and Mental Health Authority, for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

Governmental Funds: Funds used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Grants: A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending on the grantee.

H

Headlee Amendment: A 1978 Amendment to the Michigan State Constitution limiting property tax rate increases without voter approval. Headlee requires that tax rates be "rolled back" if the increase in a taxing unit's equalized valuation (excluding changes from new construction, improvements and losses) is greater than the rate of inflation. Headlee also requires the State to appropriate necessary funds to local units for any new state-required services and prohibits the State from reducing the State share of existing required services.

Health Fund: A fund to account for special revenue set aside for the purpose of providing health protection for the citizens of Kent County. Revenues are provided through state and federal grants and General Fund appropriations.

HHW: Household Hazardous Waste

Housing Commission Fund: A fund to account for the development of viable urban and rural communities by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low and moderate income. Funding is provided by the federal government, the state, and the Community Development Block Grant (CDBG).

HUD: Housing and Urban Development

I

Indirect Cost: A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Interfund Transfers: The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue: Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Fund: A fund used to account for the financing of goods and services provided by one department or agency to other departments or agencies for a government, or to other governments, on a cost-reimbursement basis.

IT: Information Technology

J

JABG: Juvenile Accountability Block Grant

JBZG: John Ball Zoological Garden

L

Lodging Excise Tax Fund: A fund to account for expenditures incurred in promoting Kent County and maintaining, acquiring or constructing its public convention and entertainment facilities. Revenues are provided by the excise tax on transient room rentals.

Long-term Debt: Debt with a maturity of more than one year after the date of issue.

LTGO: Long-Term General Obligation

M

MCIR: Michigan Childhood Immunization Registry

MCL: Michigan Compiled Law

MCLA: Michigan Compiled Law Annotated

MIHP: The Maternal Infant Health Program provides nursing, nutrition, and social work intervention to Medicaid eligible pregnant women, infants and children considered at risk. Program services are home based and include: comprehensive psycho social and nutritional assessment; care coordination; professional intervention by a multi-disciplinary team; transportation arrangement; and referrals to community services. These families are also eligible to receive childbirth education and/or parenting education classes.

Mill: The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed property value.

Mental Health Fund: A fund to account for special revenue set aside for the purpose of providing mental health services to the citizens of Kent County. Revenues are provided through state and federal grants, charges for services and General Fund appropriations. A separate authority was created in April of 2003 and all assets were transferred to this independent agency.

Modified Accrual Basis: The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments (e.g., bond issue proceeds) are recognized when they become susceptible to accrual, that is when they become both "measurable" and "available to finance expenditures of the current period." "Available" means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Generally, expenditures are recognized when the fund liability is incurred. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

Moratorium: A waiting period set by an authority or a suspension of activity as in the case of the County's moratorium on adding new positions that require a General Fund appropriation.

MRF: Material Recycling Facility

MSU: Michigan State University

N

NFP: The Nurse Family Partnership is a home-visiting national program to address infant mortality.

NIMS: National Incident Management System

NKTS: North Kent Transfer Station

NPDES: National Pollutant Discharge Elimination System

O

Obligations: Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

OBRC: Operating Budget Review Committee

Operating Revenue: Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Expenses: The cost for personnel, materials and equipment required for a department to function.

P

PA: Public Act

Parks Fund: A fund to account for the operation, maintenance, and capital acquisition/improvement at the County parks and golf-course system. In 2006 and beyond, the Parks operation and maintenance will be accounted for in the General Fund.

PBX: Private Branch Exchange

Performance Measure: Data collected to determine how effective or efficient a program is in achieving its objectives.

Performance Measurement Review Team: A six-member team made up of individuals from the Administrator's Office, the Budget Department and at least one other County department. The purpose of the team is to meet with departments to review their Performance Measurement program, brainstorm ideas and improvements, and make recommendations to the Finance and Physical Resources Committee. Widely known in Kent County as PMRT.

Personnel Services: Expenditures for salaries, wages, and fringe benefits of a government's employees.

PRC: Personnel Review Committee

Program: A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the governmental unit is responsible.

Proprietary Fund: Sometimes referred to as income determination or commercial-type funds, the classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds). All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The GAAP used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of net income, financial position and changes in financial position. However, where the GASB has issued pronouncements applicable to those entities and activities, they should be guided

by these pronouncements.

Public Works Fund: A fund to account for the operation and maintenance of the Kent County Public Works. Financing is provided primarily by charges for services.

R

Register of Deeds Automation Fund: A fund to account for the levying of a fee that is specifically earmarked for upgrading technology in the Register of Deeds office. State statute requires that until December 31, 2006, the Register of Deeds shall deposit \$5 for each document recorded into the automation fund, which must be a separate fund and subject to a Board appropriation.

Remonumentation Program: This program is responsible for determining the location of, and reestablishing markers on, the government corners located within the County.

Reserve: An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Reserved Fund Balance: Those portions of fund balance that are not appropriatable for expenditure or that are legally segregated for a specific future use.

Resolution: A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources: Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue: Sources of income financing the operations of government.

Revenue Sharing Reserve Fund: A fund created in accordance with Public Act 357 of 2004 to serve as a substitute for State revenue sharing payments to counties. Revenues are to be provided by a set-aside of certain local general property taxes levied in 2004 through 2006 inclusive.

RFP: Request for Proposal

Risk Management and Benefits Fund: A fund to account for claims related to public liability, workers' compensation, dental benefits and other County

insurance programs. The County is self-insured and finances its insurance payments by billing other funds for their respective share.

S

S & P: Standard & Poor's

SCAO: State Court Administrator's Office

SEV: State Equalized Value

Self-insurance: A term used to describe the retention by an entity of a risk of loss arising out of the ownership of property or from some other cause, instead of transferring that risk to an independent third party through the purchase of an insurance policy. It is sometimes accompanied by the setting aside of assets to fund any related losses. Because no insurance is involved, the term self-insurance is a misnomer.

Senior Millage Fund: A fund to account for the proceeds of a dedicated millage levied to plan, coordinate, and provide services to persons 60 years of age or older.

SHSG: State Homeland Security Grant

SKL: South Kent Landfill

Social Welfare Fund: A fund to account for the administration of various human service programs. County statute requires that the County Treasurer serve as the custodian of all funds provided for the use of the Family Independence Agency (FIA). In this case, the County simply serves as a pass-through with respect to state and federal funds for FIA operations, maintaining the funds and records as required by the State. The County also appropriates, at its discretion, funding to maintain and administer various welfare services within the County, including hospitalization, community-based organization funding and client support programs.

Special Project Funds: A fund to account for the expenditures and revenues of the various activities financed primarily by restricted grants, funded by the state and federal government. Project lengths vary from one year to annually renewable.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. GAAP only requires the use of special

revenue funds when legally mandated.

STV: State Taxable Value

T

Taxes: Compulsory charges levied by a government for the purpose of financing the services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Title IV-D Grant: Funding provided to the Friend of the Court, by the Michigan Family Independence Agency, to operate a Cooperative Reimbursement Program designed to establish paternity as well as to secure and enforce support orders.

Transfers: Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

Trust and Agency Fund: A special fund, administered by the County as trustee, consisting of resources to be expended or invested under the terms and conditions of the trust.

U

Unreserved Fund Balance: The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

Use of Fund Balance: This is the use of fund equity that is available for appropriation to balance the budget.

V

VA: Veteran's Association

Veterans' Trust Fund: A fund to account for state grants received for the purpose of financially assisting qualified veterans.

W

WIC: Women, Infants and Children

WTE: Waste-to-Energy



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